

AXA Equitable Retirement Scope Retirement — a new life after work?

Results for The United States,
with international comparisons



Be Life Confident

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AXA presents the **Second Annual Retirement Scope Survey**

- **Objectives:**
 - **Explore and understand the attitudes towards retirement.**
 - **Compare retirement perceptions and reality: from working and retired people.**
 - **Analyze the results of our country from an international point of view.**

- **International research with 6,915 interviews in 11 countries**

- **A key and unique survey on one of the most crucial social and economic topics of the moment, that AXA has decided to make available to the general public**



Methodology

- **Sample structure**: 435 working people aged 25 and older and 413 early retired/retired younger than 75 years old. Representative sample of both populations based on criteria of age, gender, region and occupation of the head of the household (specifically for working population). For retirees, only quotas based on region and gender were observed.
- We boosted sample sizes in Chicago, Detroit, Miami, New York, Los Angeles (boosts are not included in the main sample) to get specific information on these markets.
- Telephone interviews carried out by **AC Nielsen**
- Questionnaire: 20 minutes in length
- **Fieldwork dates : August 1st to August 22nd 2005**



Methodology: sample size for the boosts

	Working			Retired		
	Number of interviews coming from the main sample	Additional interviews with a boost	Total interviews (main sample + boost)	Number of interviews coming from the main sample	Additional interviews with a boost	Total interviews (main sample + boost)
Chicago	16	40	56	10	42	52
Detroit	6	43	49	4	49	53
Los Angeles	14	37	51	19	36	55
Miami	1	47	48	4	49	53
New York	18	33	51	12	42	54



Main Sample: *Gender and Age*

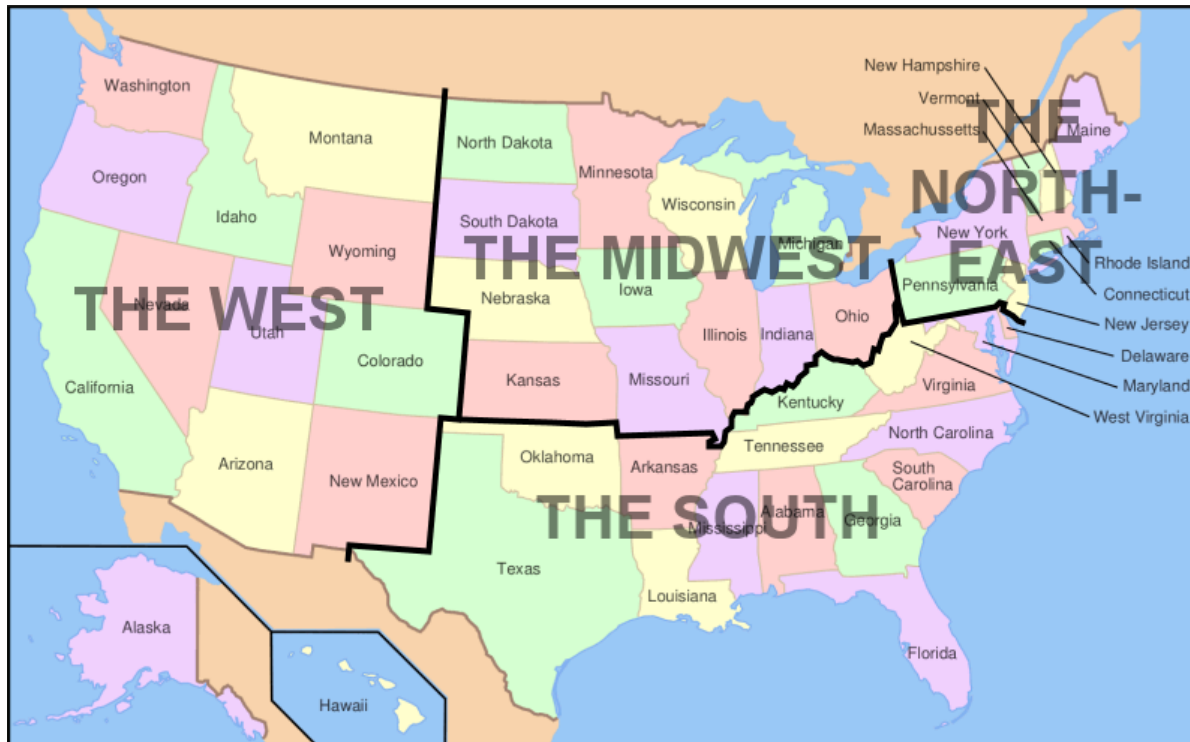
	Working	Retired
<u>Distribution by gender (in %)</u>	(quotas)	(quotas)
Male	57	54
Female	43	46
<u>Distribution by age (in %)</u>	(quotas)	
25-34 years old	26	1
35-44 years old	31	0
45-54 years old	27	7
55-64 years old	14	27
65-69 years old	2	34
70-74 years old	1	31

<u>Profession (head of household) (in %)</u>	(quotas)	(quotas)
Management, professional, and related fields	33	41
Service occupations	16	17
Sales or office occupations	26	14
Natural resources, construction, or maintenance	10	13
Production, transportation, or material moving	12	11
Other	3	4



Main Sample: *Regions*

	Working	Retired
<u>Regions (in %)</u>	(quotas)	(quotas)
Northeast	19	20
South	32	35
Midwest	22	23
West	27	23



Base : n=435 working, n=413 retired

Main Sample: *Marital Status*

	Working	Retired
<u>Family Status (in %)</u>		
Married	73	64
Divorced	11	12
Single	15	6
Widowed	1	17



Base : n=435 working, n=413 retired

How to read the results?





- Following legends are used throughout:

- Legend for Working vs Retired:

 Working

 Retired

- Legend to note significant differences between 2004 and 2005:

- for Working  x: significant increase or decrease of « x » points compared to 2004. 
- for Retired  x: significant increase or decrease of « x » points compared to 2004. 

- No legend means that results for that question are the same compared to 2004, or the question is new this year.

Some subjects in 2005 questionnaire have changed (new wordings, new themes, questions not asked of housewives ...) and fieldwork dates are different. Results for 2004 and 2005 are compared only if wording or base of questions was identical in 2004 and 2005.

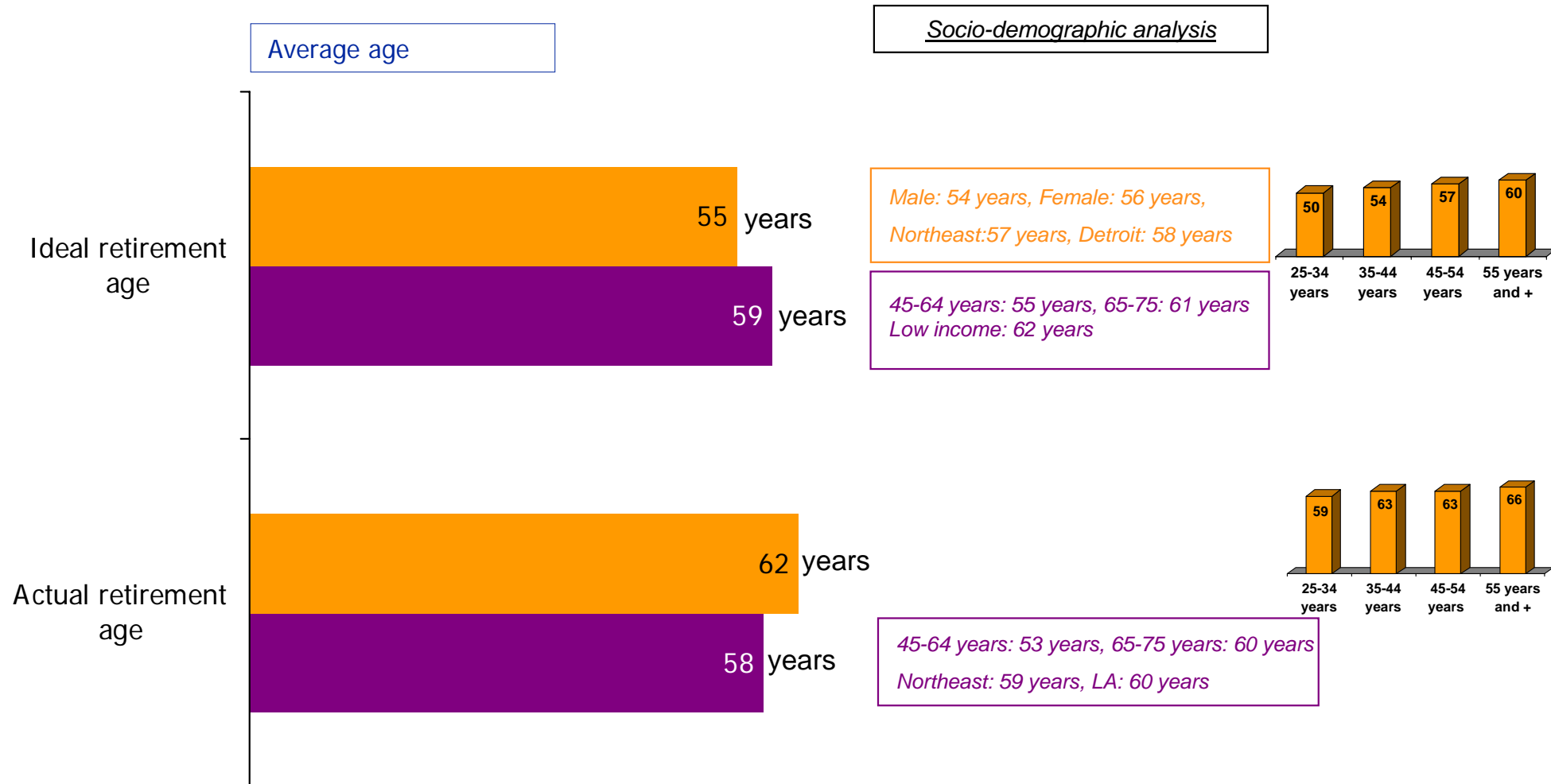
Retirement: How do people view it, how do they live it?

- Does retirement mean old age?
- Is retirement an active period in life?
- Does retirement strengthen family ties?

Working vs. Retired

1. At what age do people wish to retire from working full time?

People currently working – notably the youngest – would like to retire earlier (age 55) than their elders did (age 58), with no change from 2004. The working population’s desired retirement age is far from reality (a 7-year discrepancy with the actual average retirement age). The ideal retirement age rises as retirement approaches.



Question not asked to housewives in 2005

Base : n=391 working, n=391 Retired

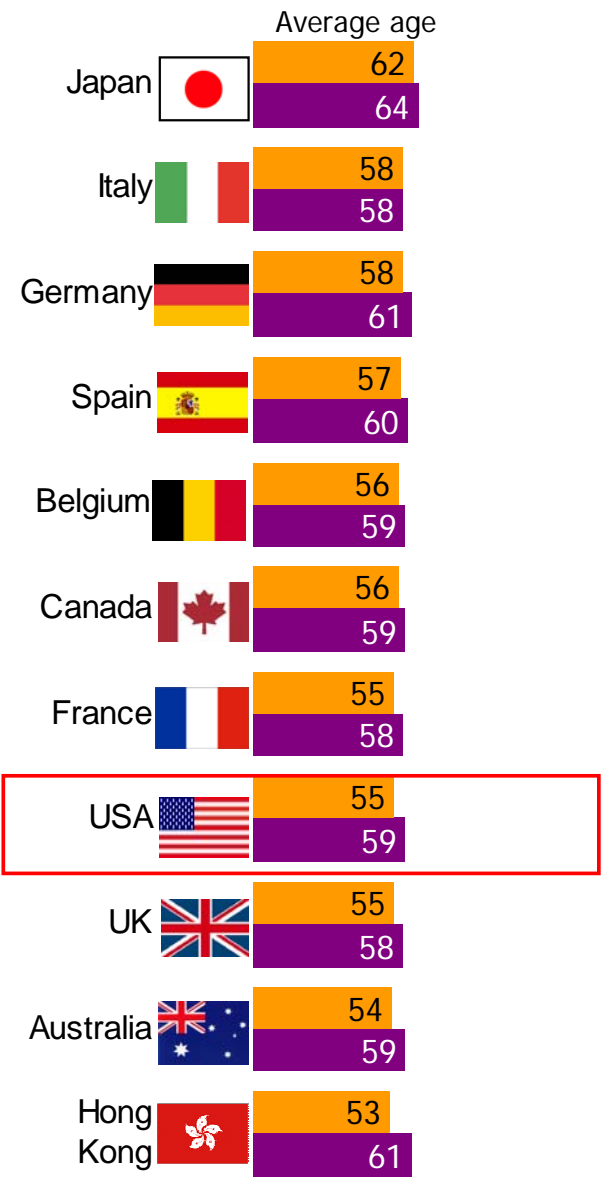
Q.14 Working: And, ideally, at what age would you like to retire from working full time? Retired: If you had the chance to do it over again, at what age would you have retired? Q.13 Working: At what age do you think you will retire from working full time? Retired: At what age did you retire from your full time job?

Working
Retired

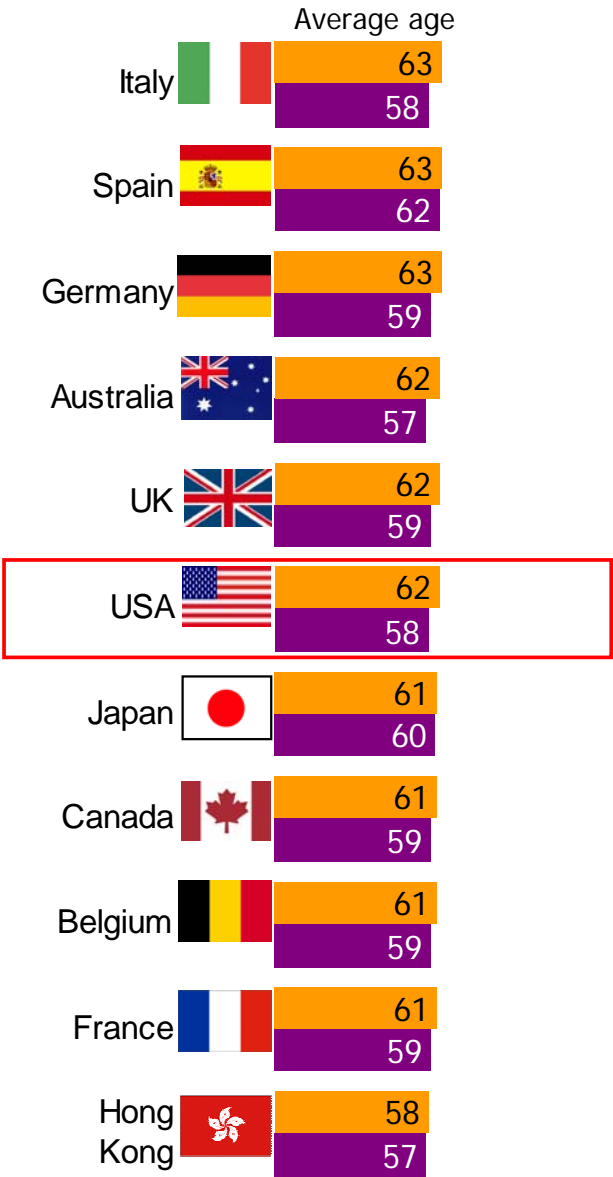
1. At what age do people wish to retire?

Americans are right in the middle concerning ideal or actual retirement ages for both populations.

Ideal retirement age



Actual retirement age

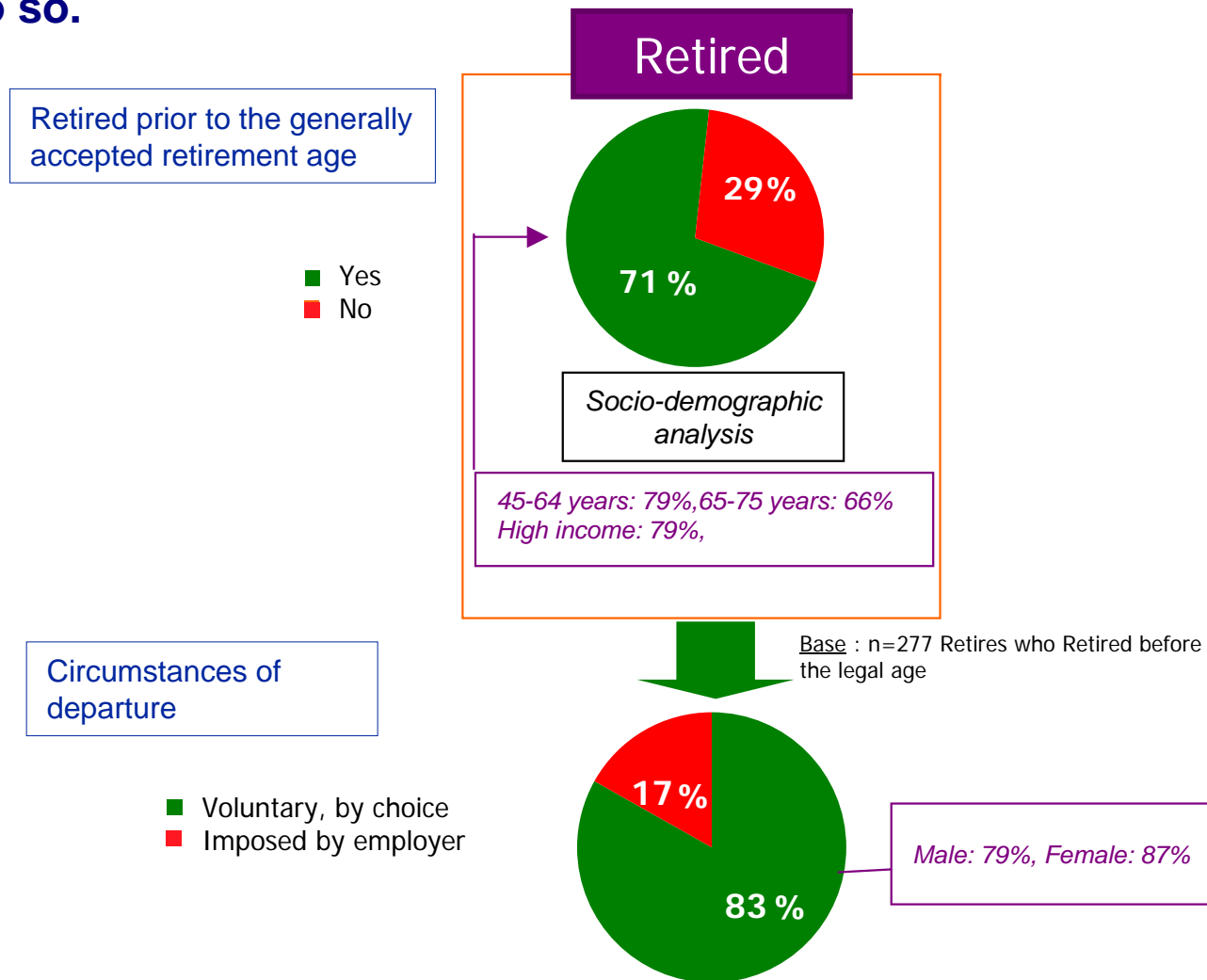


Working Retired



2. Do people retire before the “legal” retirement age? Under what circumstances?

Nearly three quarters of the retired population retired before the “accepted” retirement age: a voluntary choice. Those with higher incomes were more inclined to do so.



Question not asked to housewives in 2005

Base : n=391 Retired

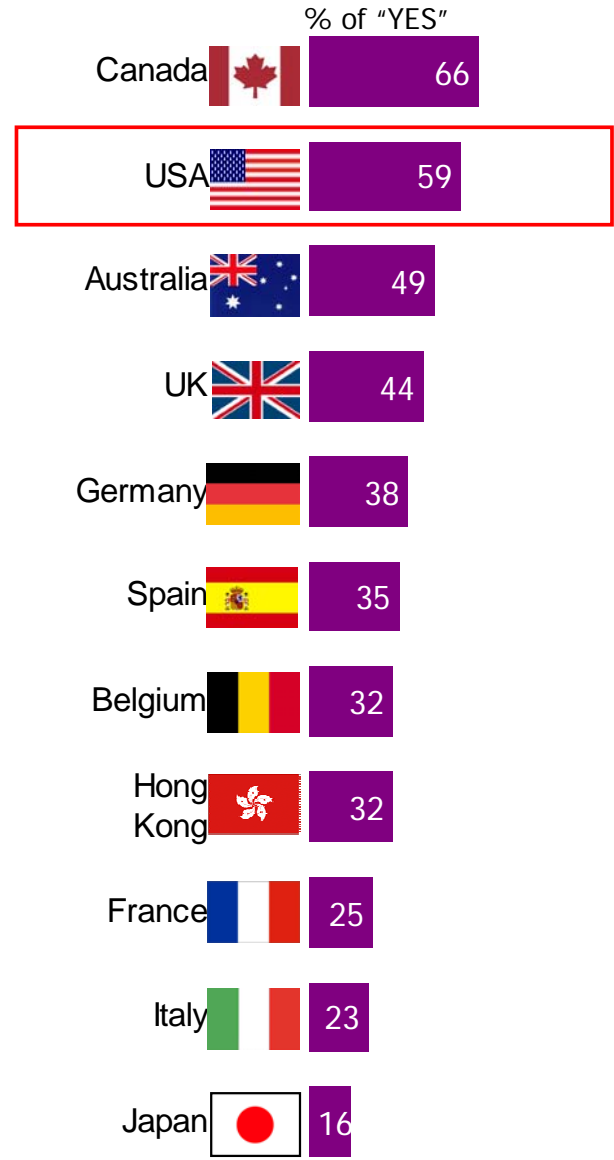
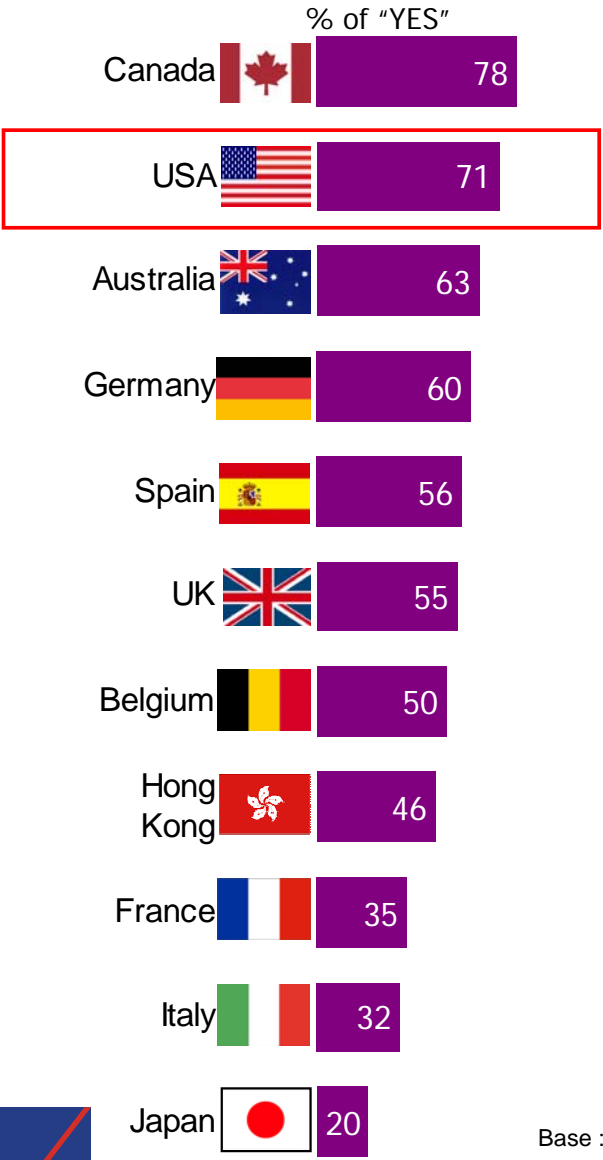
Q.16b Retired: Did you retire prior to the generally accepted retirement age?
Q.16c Retired: Was your retirement departure ...?

2. Do people retire before the legal retirement age? Under what circumstances?

Early retirement rates are particularly high in the U.S., compared to European and Asian countries. This is usually a determined decision.

Retired prior to legal retirement age

Voluntary retirement departure



Base : total retired

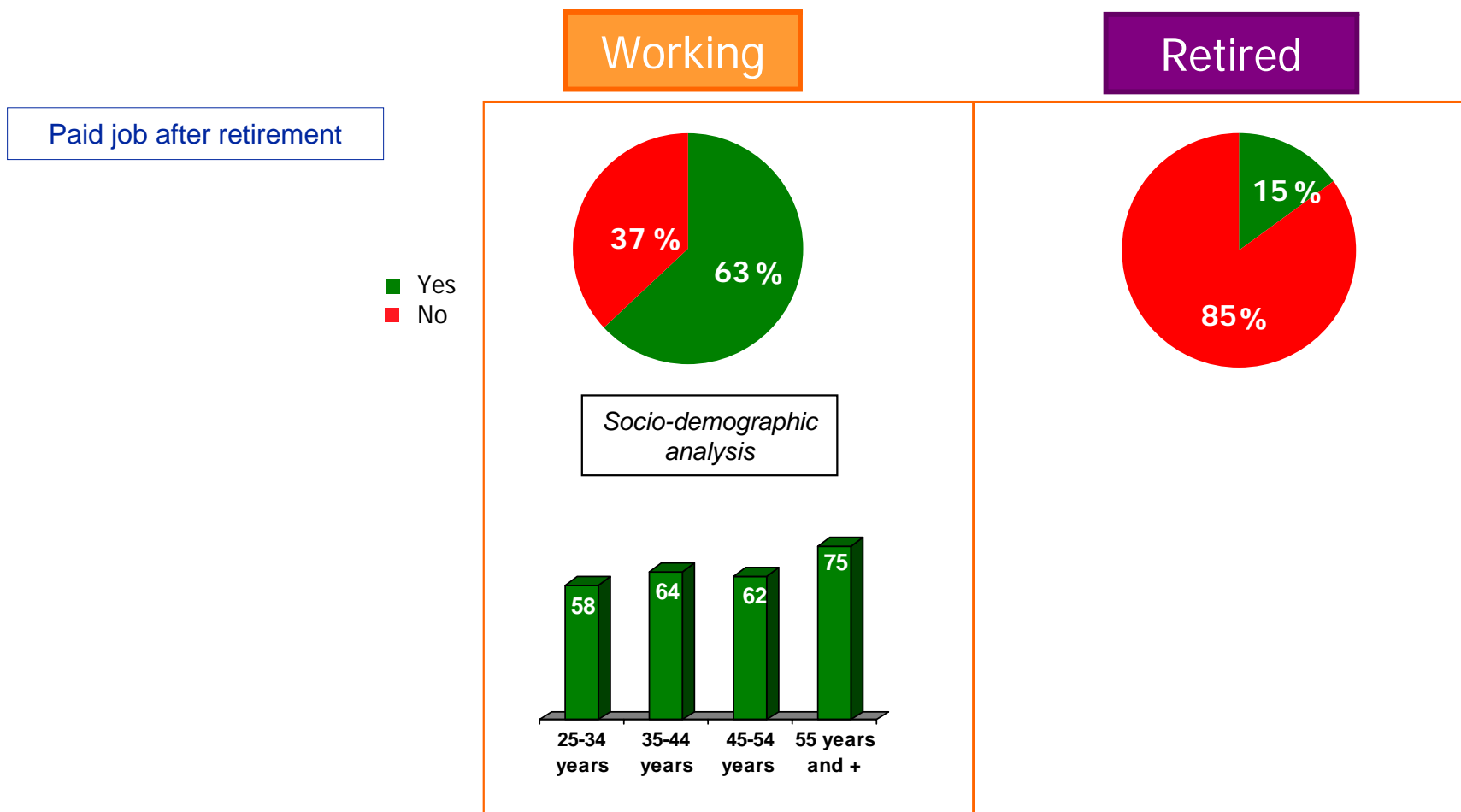
Retired

For UK, Canada: retired prior to the normal age
 For Hong Kong: retired prior to the generally retirement age
 For Australia: retired at age when they could access superannuation



3. Do people hold or plan to hold a paid job after retirement from working full-time?

A majority of working people – notably the eldest – expect to have a paid job after retirement. However, once retired, few people actually hold a paid job.



Question not asked to housewives in 2005

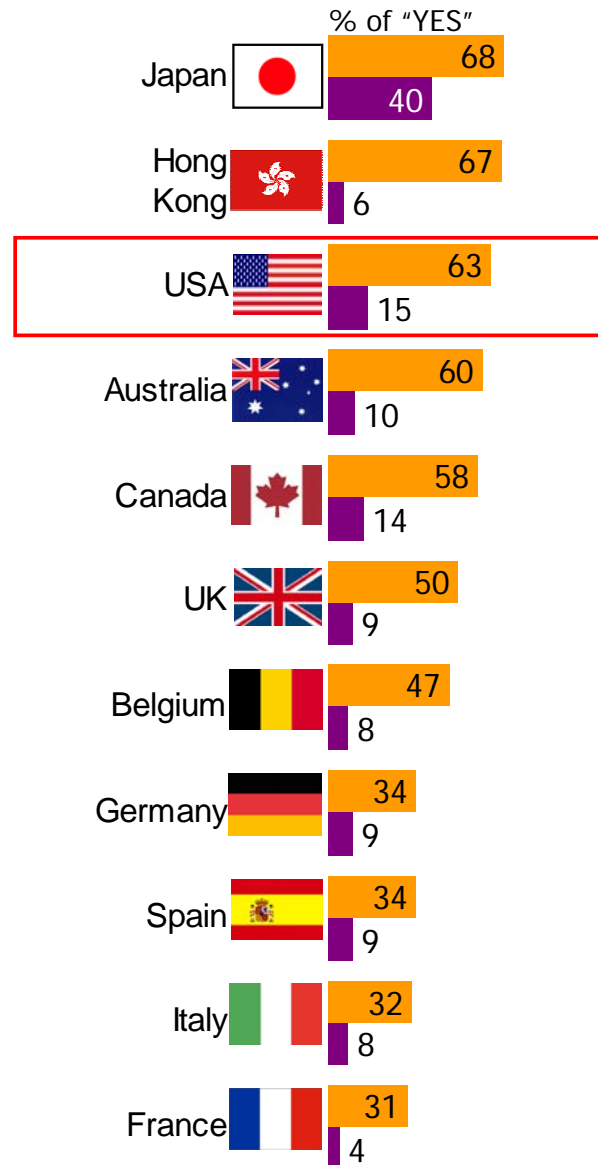
Base : n=391 working, n=391 Retired

Q.17 Working: Would you like to hold a paid job after retirement from working full time?
Retired: Do you hold a paid job despite your retirement from a full-time job?



3. Do people hold or plan to hold a paid job during retirement from working full time?

More than in most western countries, working Americans plan to hold a paid job once retired. In reality, even if very few retired people actually work, more American retirees work than retirees in any other countries except Japan.



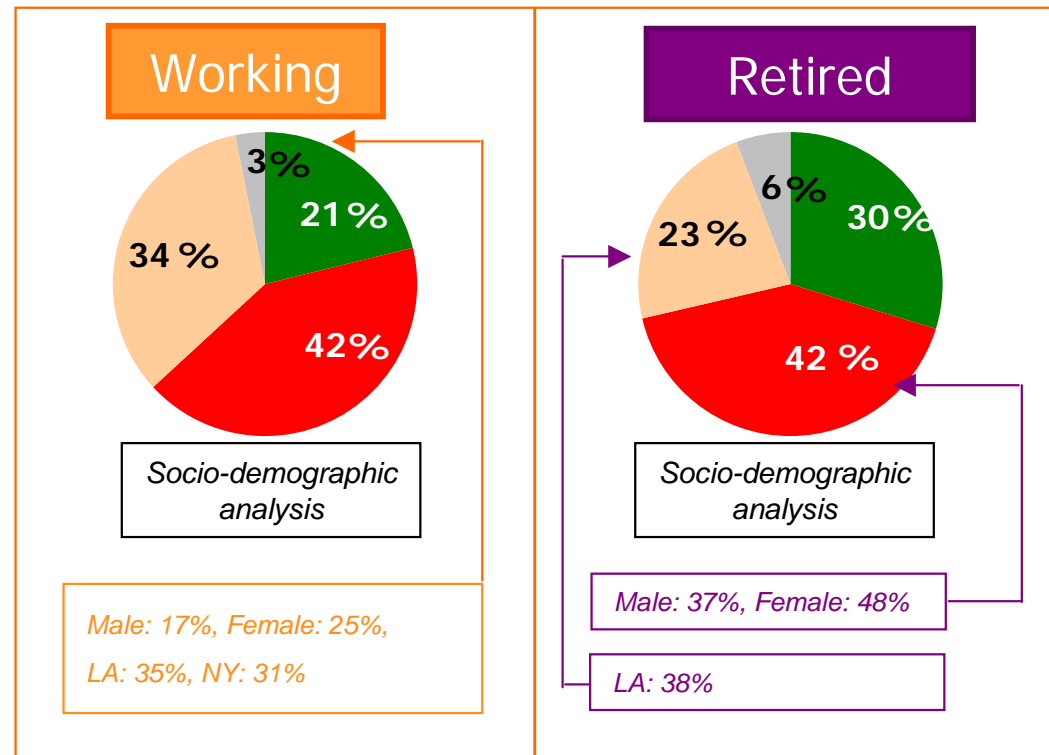
Working
Retired



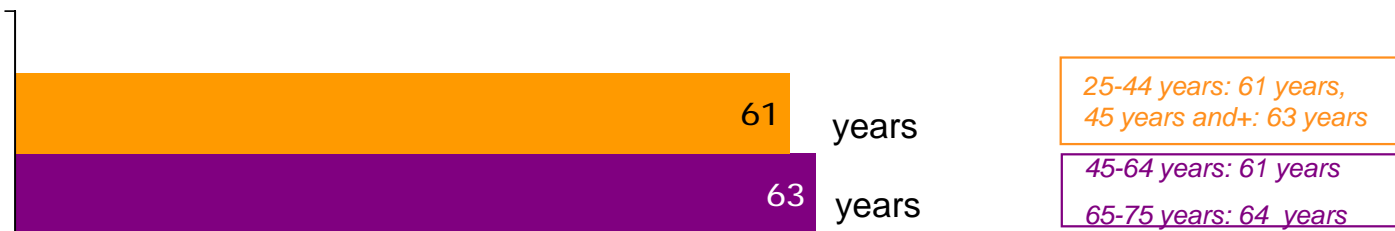
4. What do people think about raising the retirement age where they work?

Four out of 10 Americans disapprove. Among workers, women and people living in Los Angeles and New York approve of it to a greater extent than the American population as a whole. Working Americans say they should be able to collect full retirement benefits at age 61.

- Approve
- Disapprove
- Neither approve nor disapprove
- Do not know



Age one should be able to collect full retirement benefits



Base : n=435 working, n=413 Retired

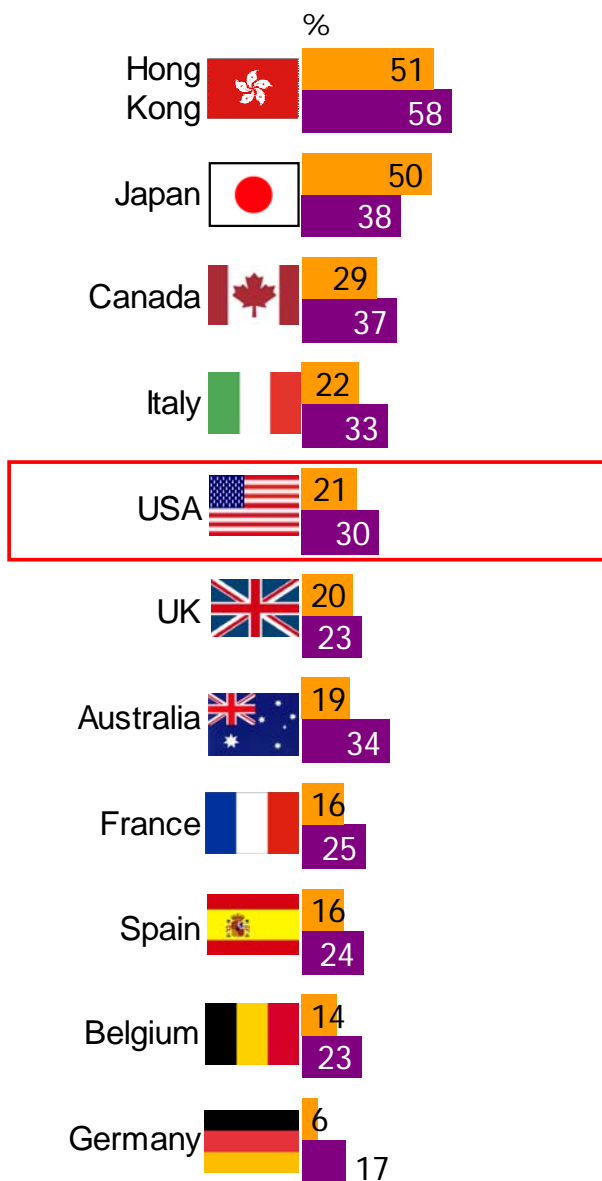
Q.15 Working/Retired: What would you think if the age for retirement in your place of employment was raised? Q.16a Working and Retired: In your opinion, at what age should one be able to collect full retirement benefits? (i.e. benefits coming from work, pensions, 401k, governments benefits, etc)

- Working
- Retired

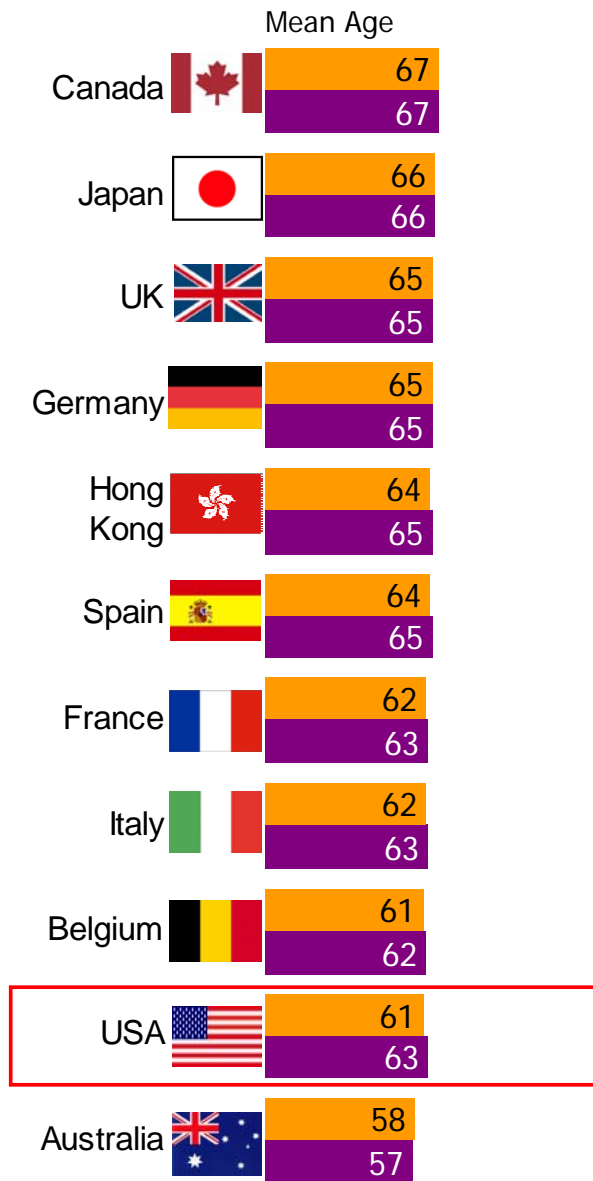


4. What do people think about raising the retirement age where they work?

% of persons who approve of raising the retirement age



Age should one be able to collect full retirement benefits



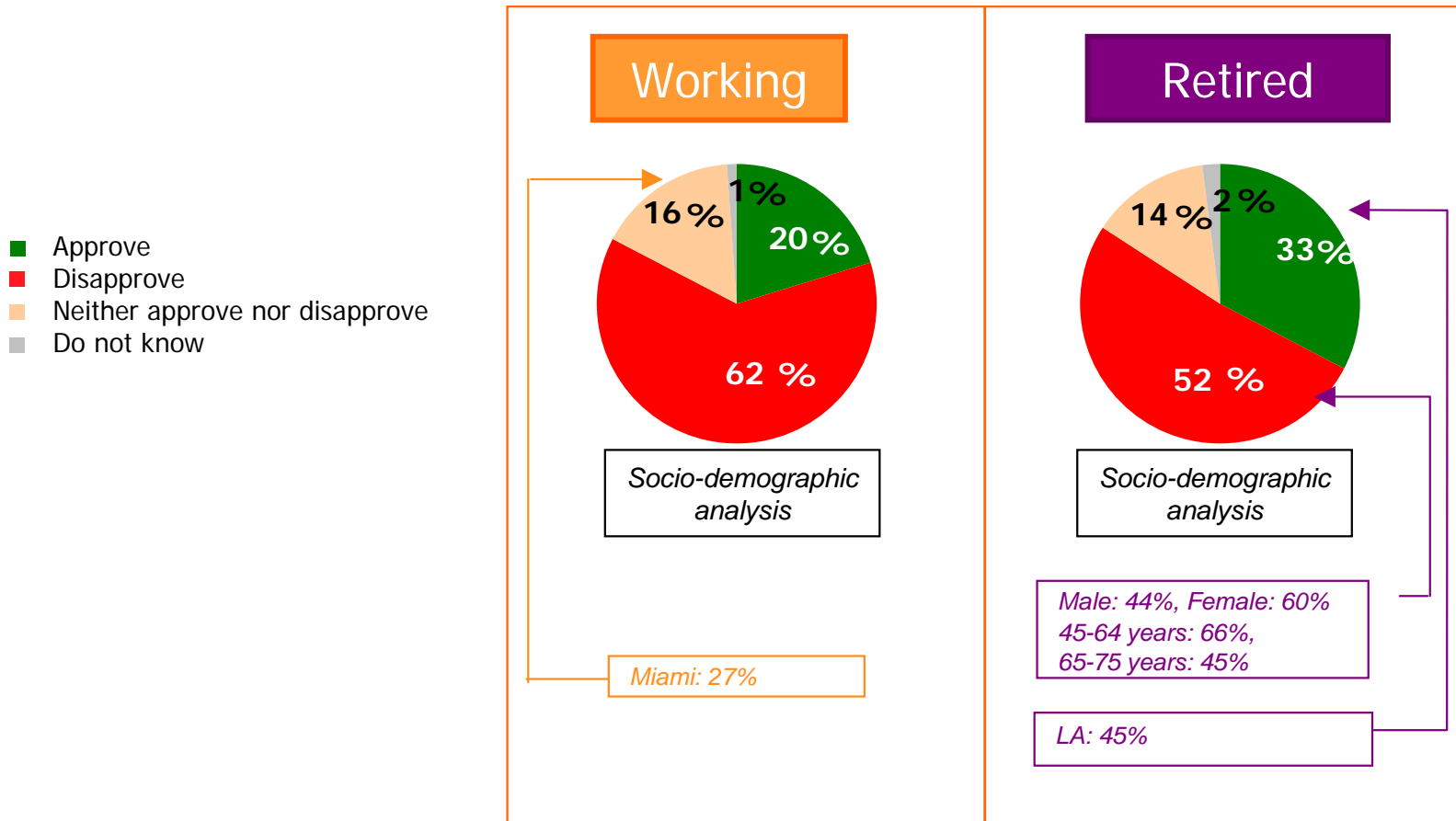
Working
Retired

For Canada, Hong Kong, : % who approve of postponing retirement age of few years
 For USA: % who approve of increasing age for retirement in place of employment
 For Australia: % who approve of working a few more years until accessing superannuation



4. In the U.S., what do people think about raising the age to receive Social Security benefits?

Retirees see less of a problem in raising the age to receive Social Security. Within the retired population there are sharp divisions according to gender and age: women and retirees younger than 65 especially disapprove of raising the age to receive Social Security benefits.

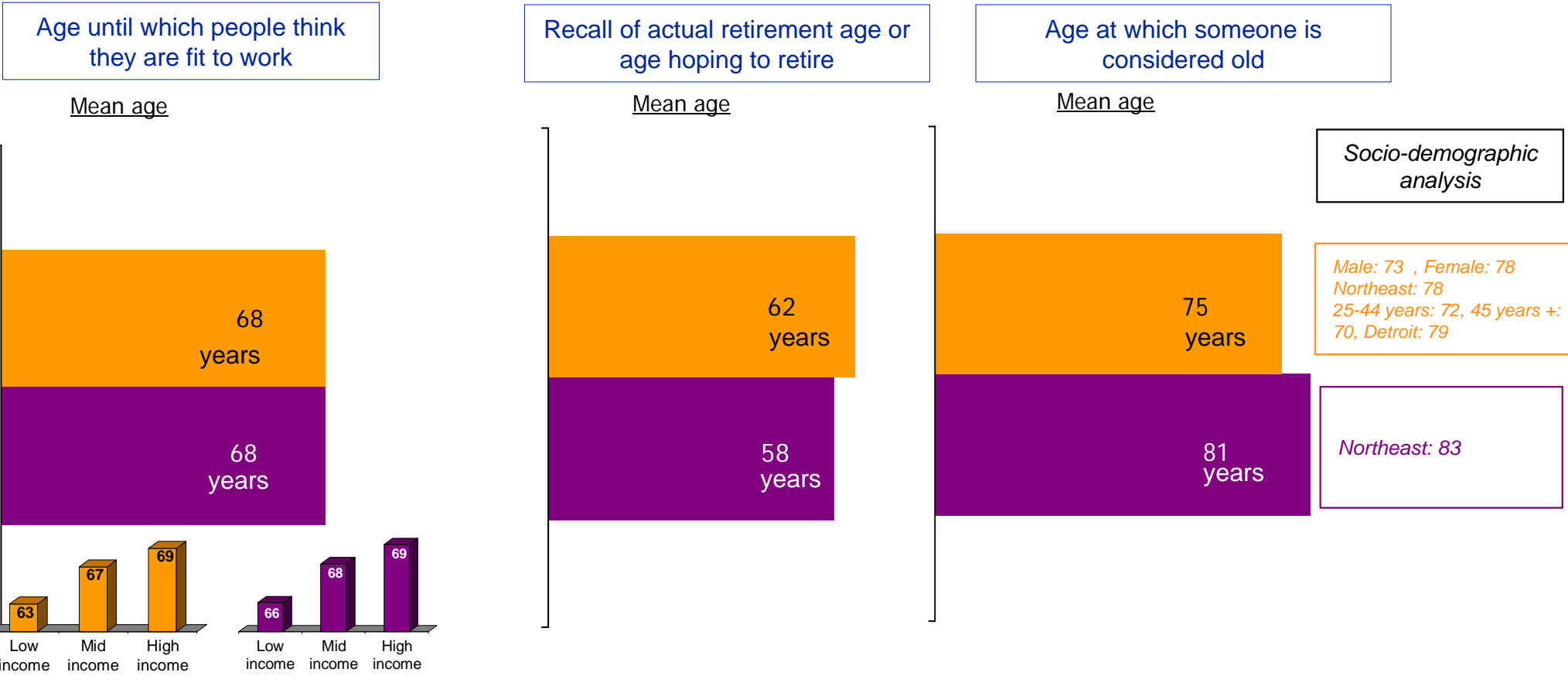


Base : n=435 working, n=413 Retired



5. Until what age are people fit to work? Are people considered old when retired?

Americans feel that people are capable of working until age 68; 6 years later than the average retirement age reported by working people and a full decade later than the age reported by the retired population. People are not “old” when they retire: they are considered “old” many years later than the actual retirement age.



Base : n=435 working, n=413 Retired

Q.19 Working: Personally, until what age do you think you would be fit to work?
 Q.19 Retired: Personally, until what age do you think you would have been fit to work?
 Q.42 Working and Retired: In your opinion, at what age is somebody old ...? In 2004, this Q.42 was aided
 SPONTANEOUS QUESTION

Working
 Retired



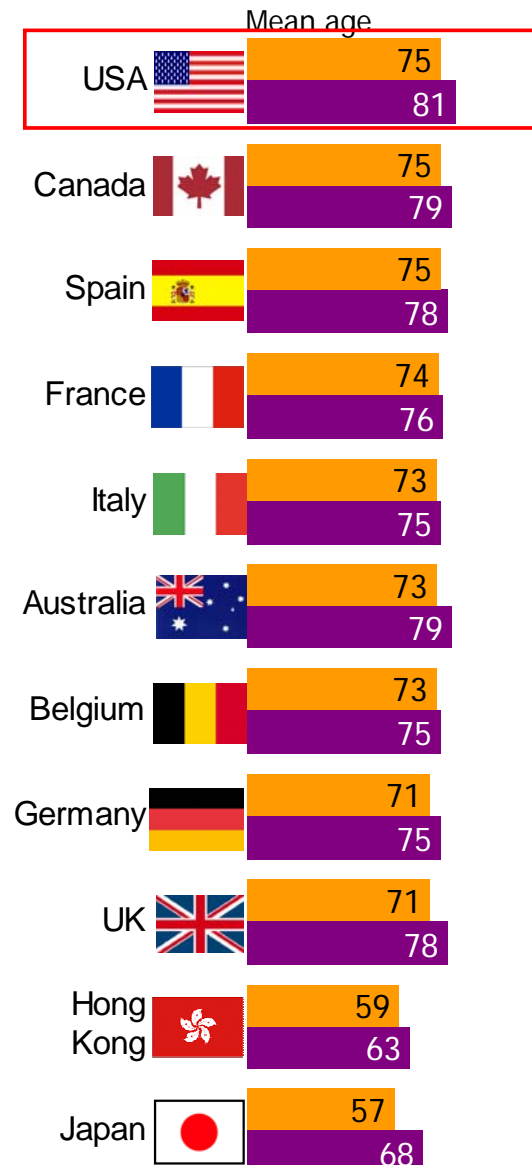
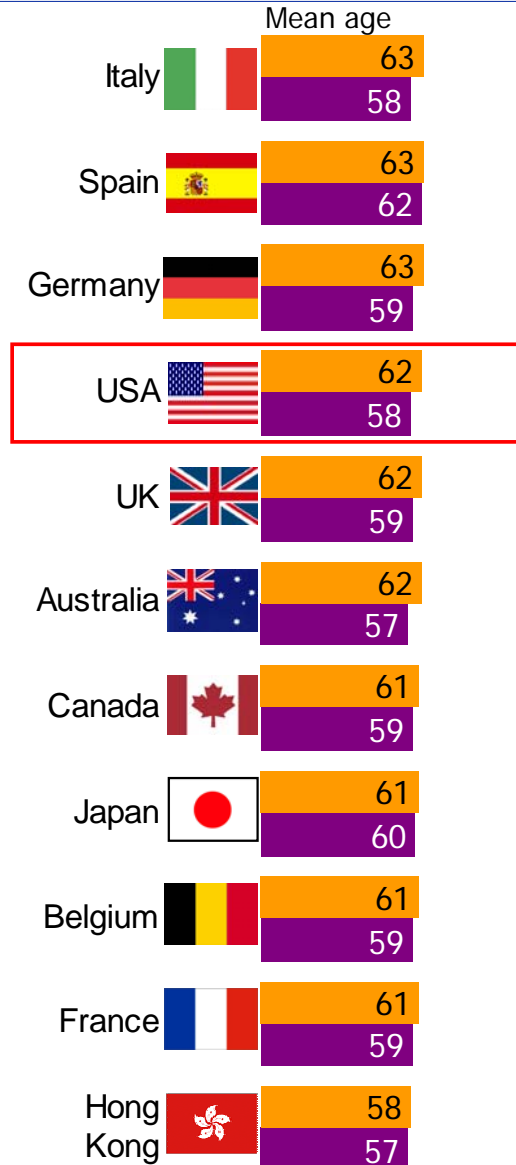
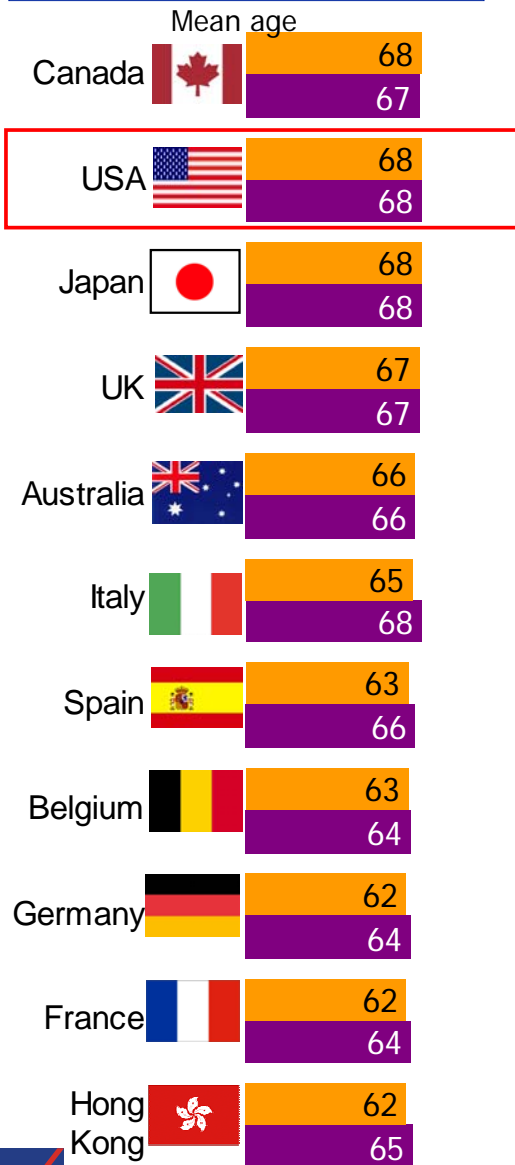
5. Until what age are people fit to work?

Worldwide, people view themselves fit to work into their late 60s. American retirees don't call themselves old before 81.

Age until people think they are fit to work

Recall of actual retirement age or age hoping to retire

Age at which someone is considered old

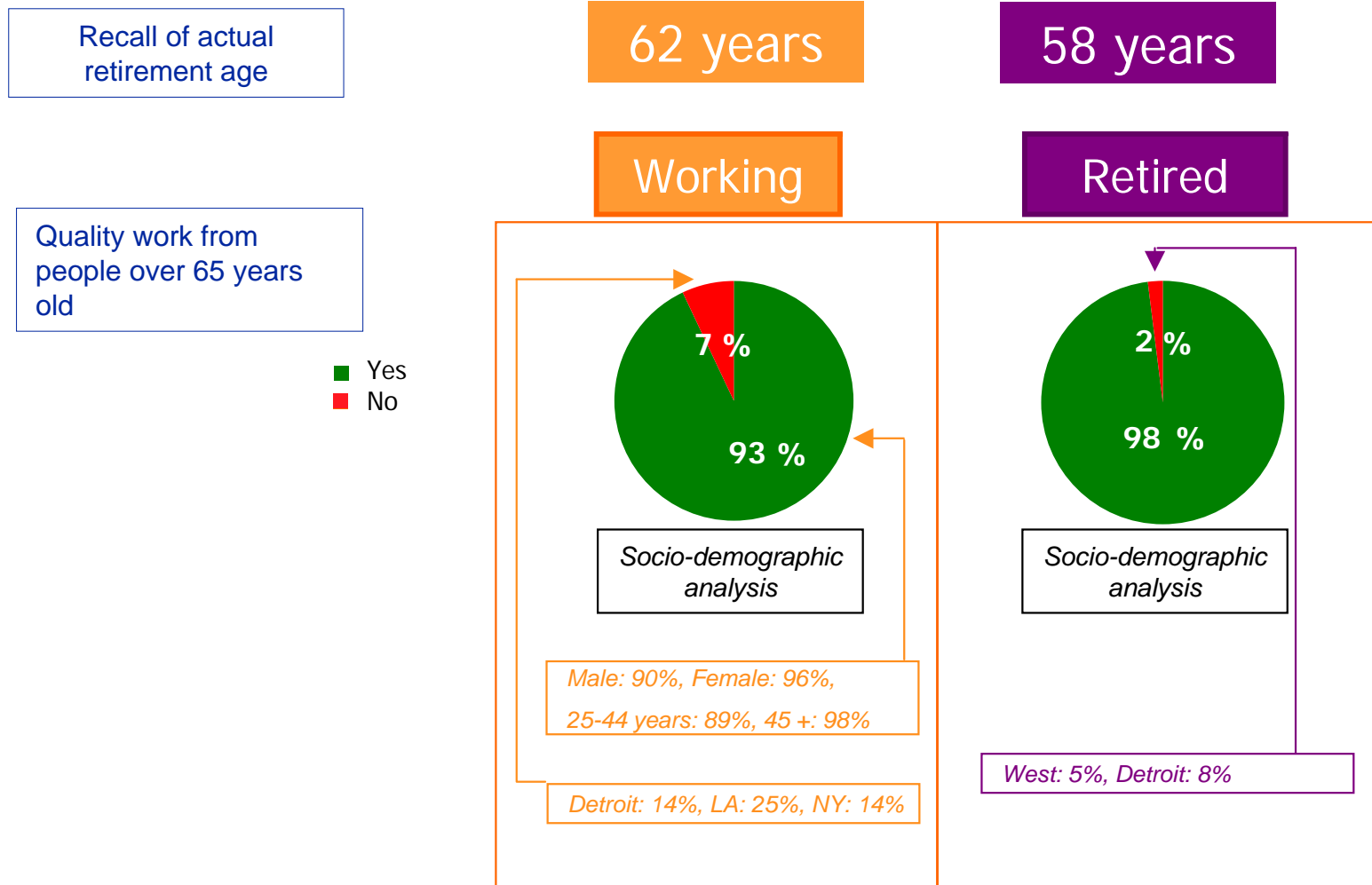


Working
Retired



6. Are people over 65 years old considered good workers?

A veritable social consensus exists that people over the age of 65 can still provide quality work. Among the working in Detroit, Los Angeles and New York, however, this view is not as strongly supported. When people retire, they have not exhausted their potential as “quality” workers.



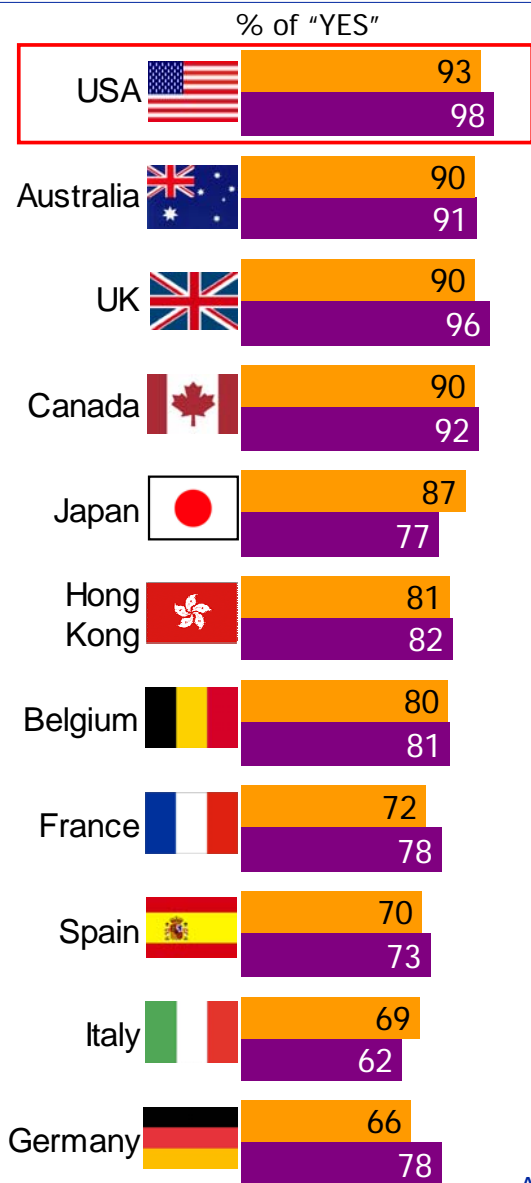
Base : n=435 Working, n=413 Retired

Working
Retired



**6. Are people over 65 years old considered good workers?
U.S. as a whole has very strong faith in the ability of people over the age of 65 to produce quality work: indeed, far more than in any other country.**

Quality work from people over 65 years old

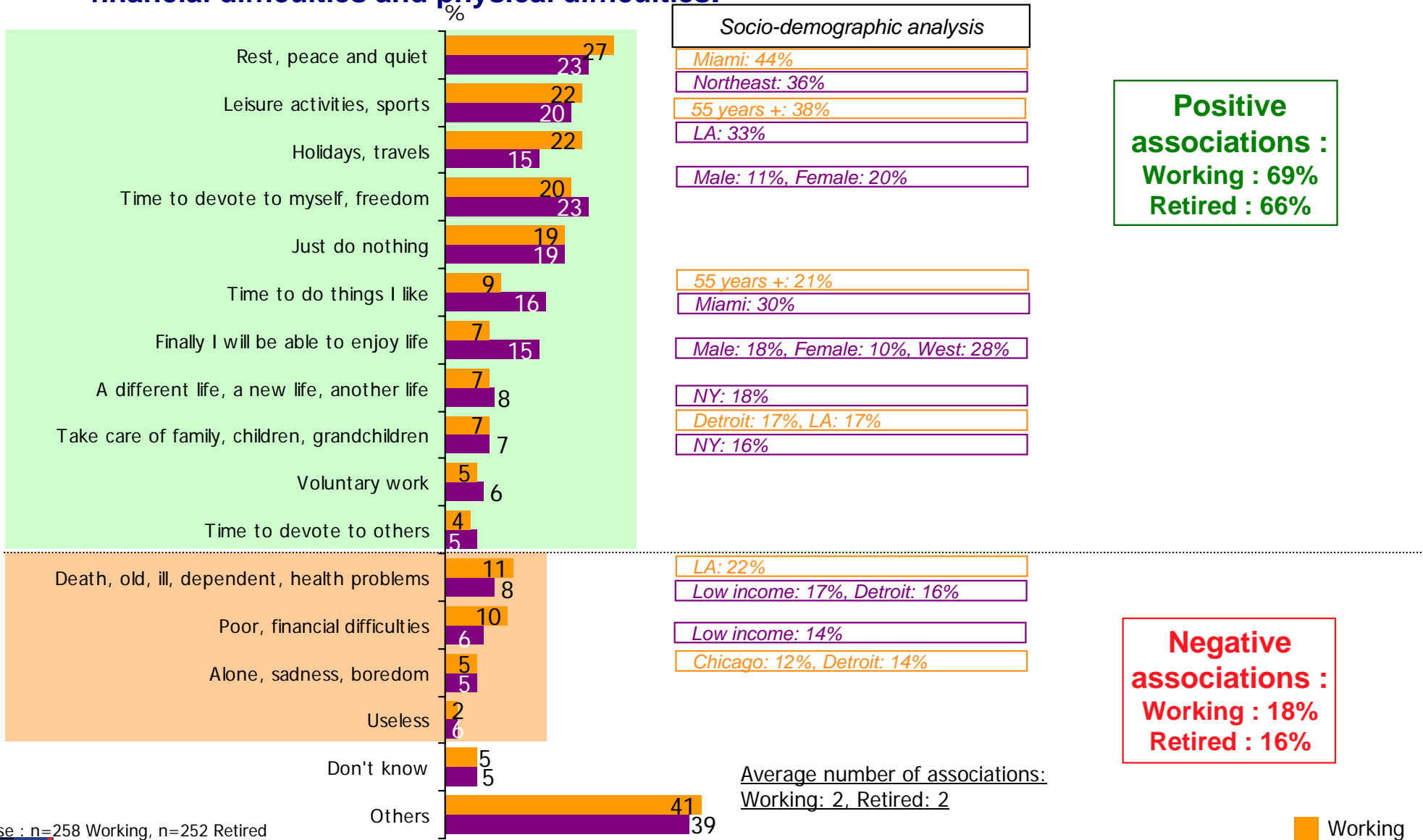


Working
Retired



7. What thoughts are spontaneously associated with retirement?

The working and retired share a positive outlook on retirement. Retirement is a period for rest, peace, a time devoted to itself (leisure, do nothing, travels), freedom, and a time to enjoy life. Retired people with low incomes are more negative: this period is also associated with financial difficulties and physical difficulties.



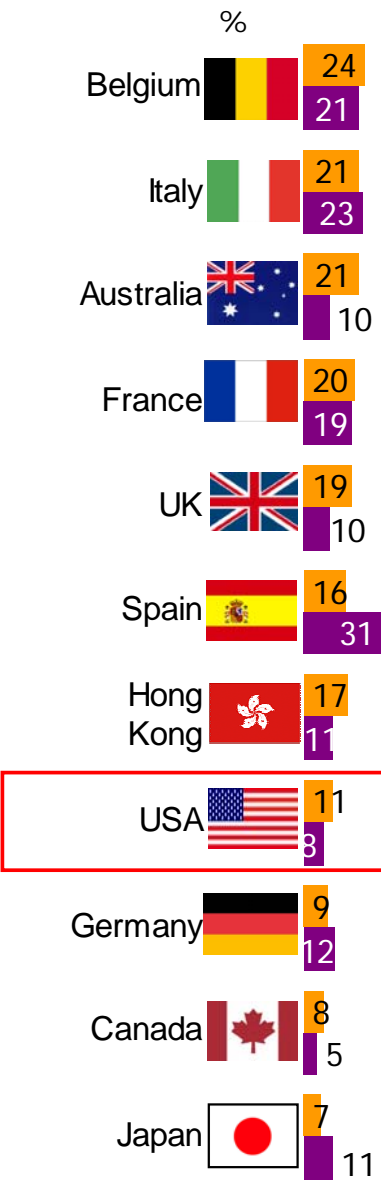
Base : n=258 Working, n=252 Retired

Q.40 Working and Retired: What thoughts come to mind when thinking about the word "Retirement"? [SPONTANEOUS - PRE-CODED QUESTION]



7. What thoughts are spontaneously associated with retirement?

% of people who associate death, old age, illness, dependency and health problems with retirement



Working Retired

Base : n=258 Working, n=252 Retired



Q.40 Working and Retired: What thoughts come to mind when thinking about the word "Retirement"? [SPONTANEOUS - PRE-CODED QUESTION]

7. What thoughts are spontaneously associated with retirement?

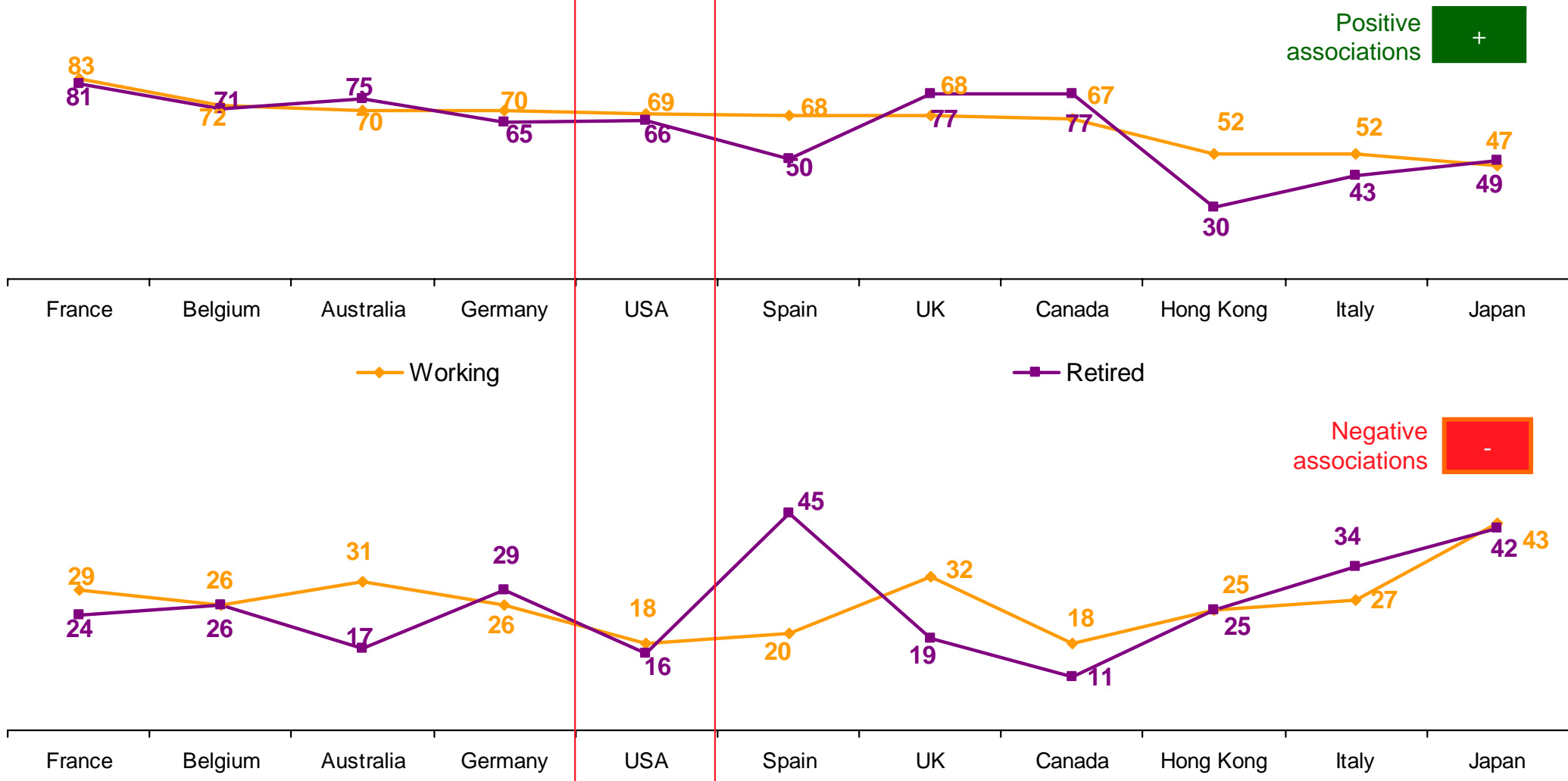
Americans have fewer negative associations than people in other countries (except Canada).

%



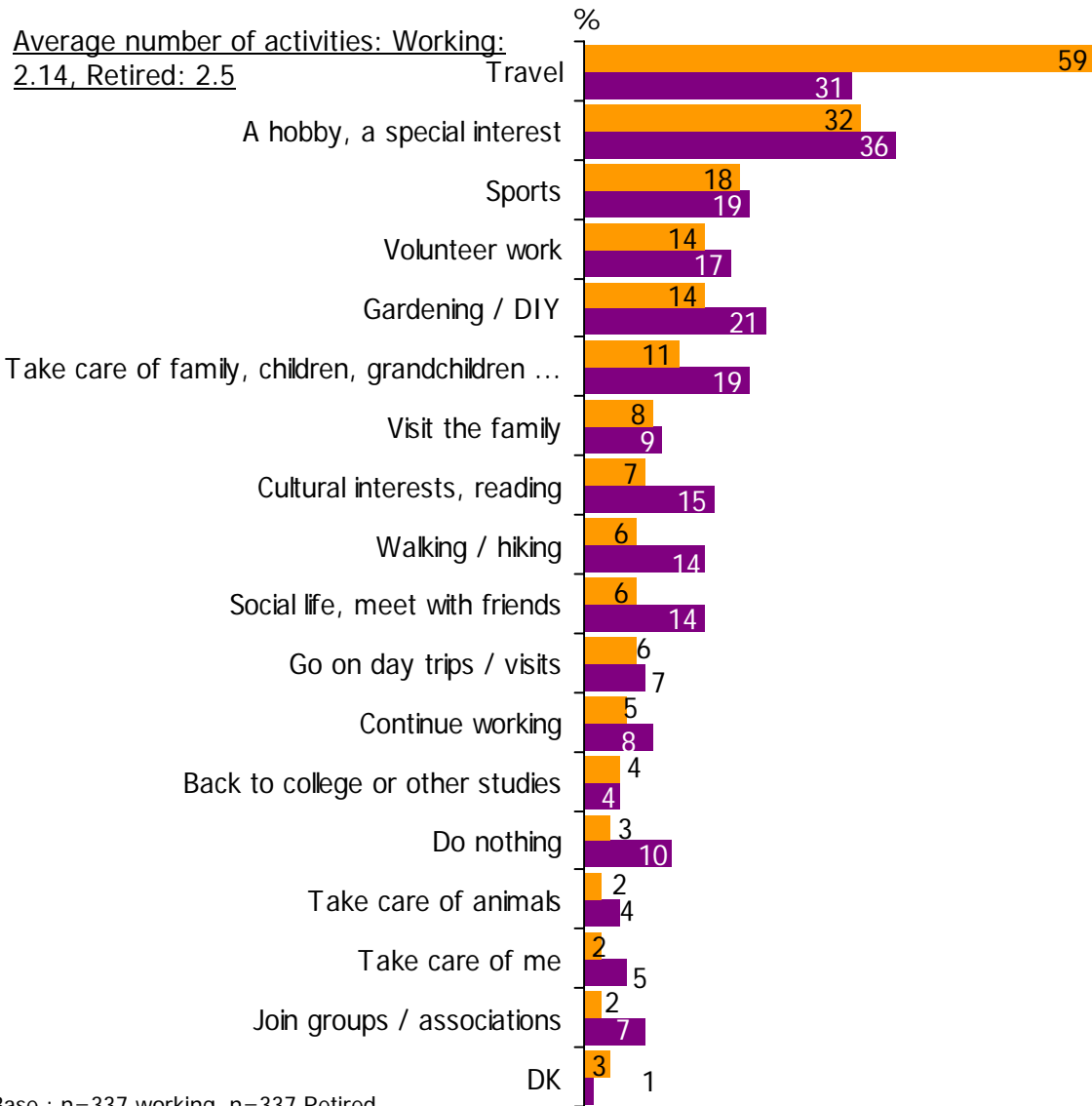
Positive associations

Negative associations



8. Which activities do people do / plan to do when retired?

Retirement is viewed by the working as a time rich in activities, and in most cases they are right! With the one notable exception of traveling, which is in reality a dream of young working people, retirees engage in all the activities that the working plan to do but to an even greater extent.



Socio-demographic analysis

25-44 years: 65%, 45+: 51%, South: 71%
High income: 42%

Male: 24%, Female: 9%
Male: 26%, Female: 11%, West: 28%
Male: 9%, Female: 20%
Male: 13%, Female: 22%, High income: 26%

Male: 9%, Female: 15%
Male: 10%, Female: 29%
Low income: 15%

Chicago: 9%, NY: 12%

Working
Retired

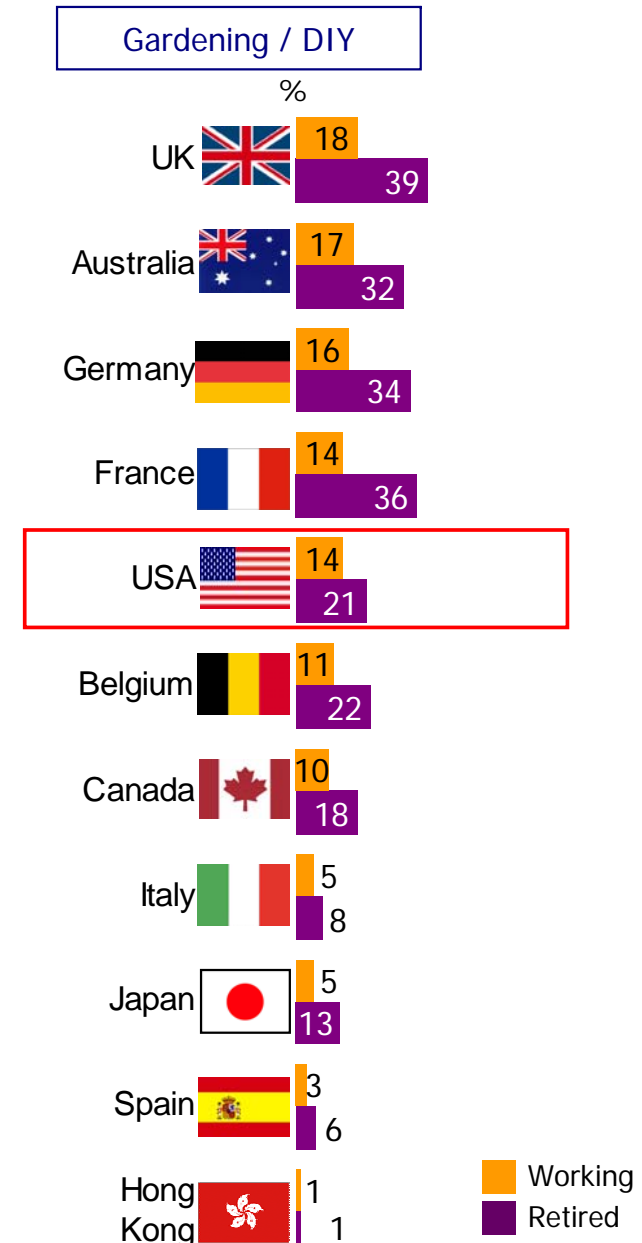
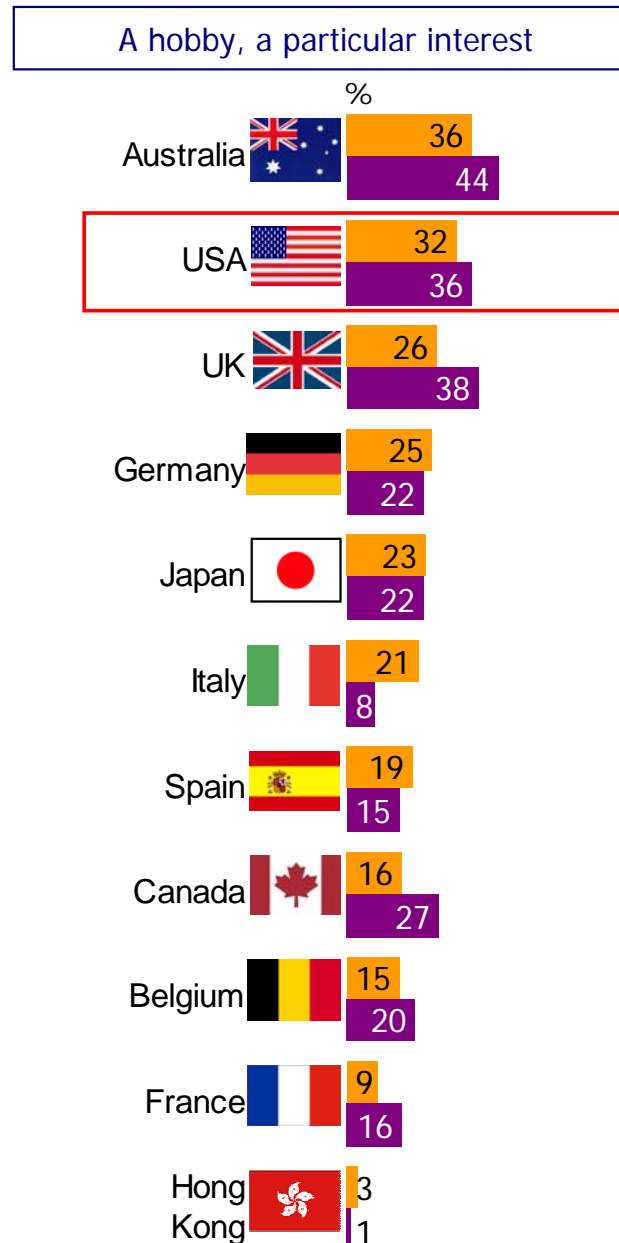
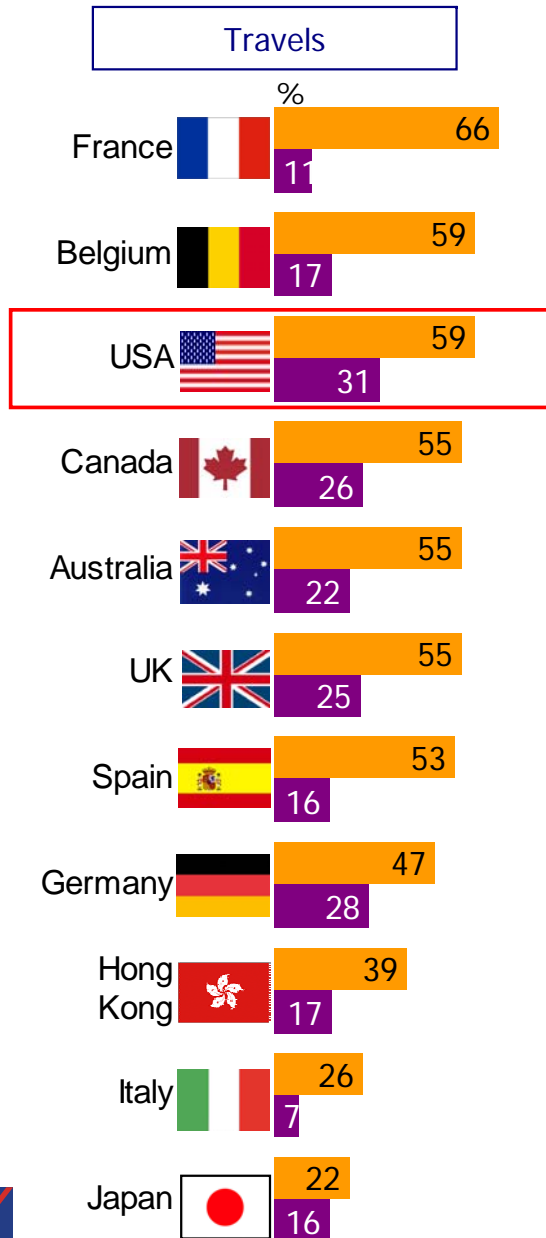
Base : n=337 working, n=337 Retired



Q.41 Working: Which activities and projects would most interest you when Retired? Retired: What kind of activities do you do since you Retired? [SPONTANEOUS PRE-CODED QUESTION]

8. Which activities do people do / plan to do when retired?

Americans dream of travelling when retired; retirees are more active than workers in all surveyed countries. (Both retirees and workers are less fond of manual activities.)



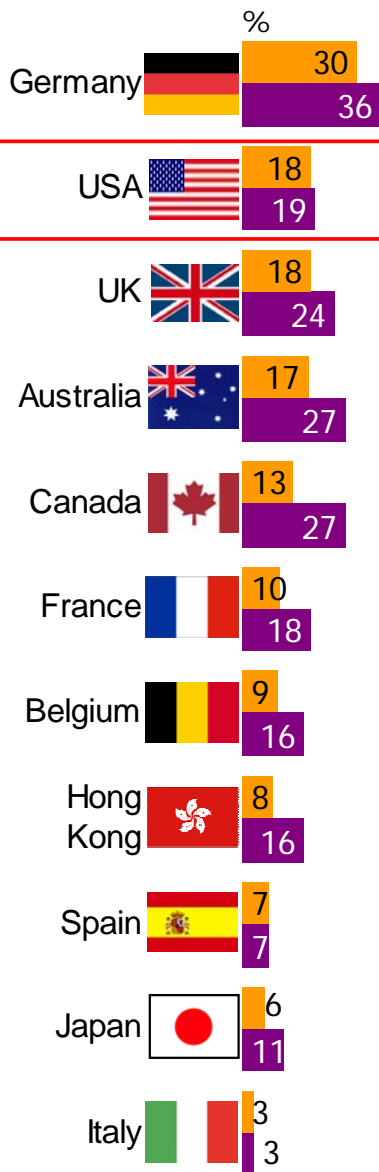
Working
Retired



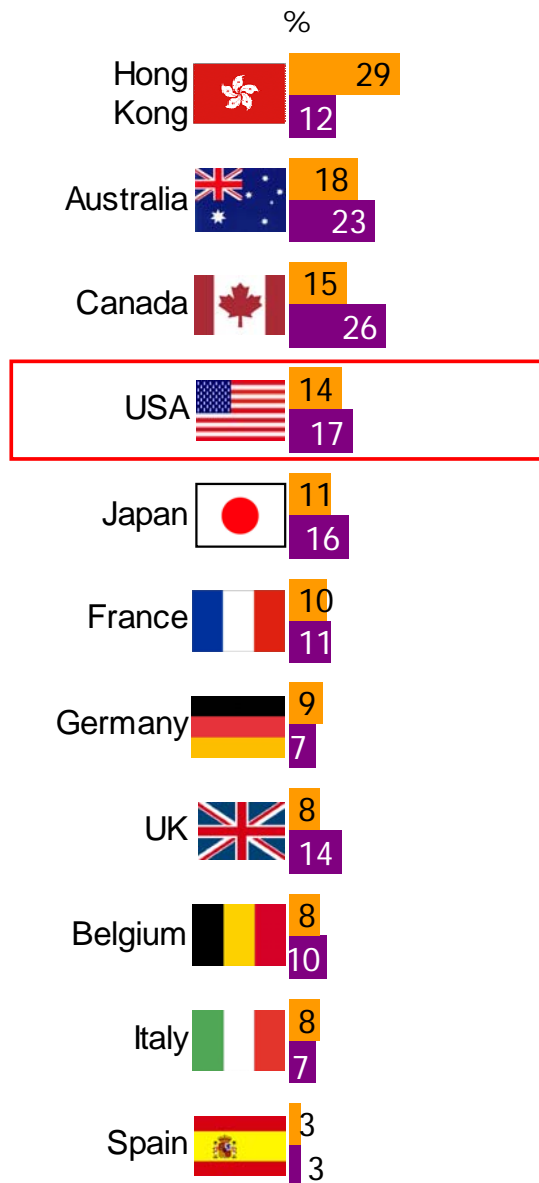
8. Which activities do people do / plan to do when retired?

With the exception of sports, Americans hover close to the middle relative to activity levels in other countries.

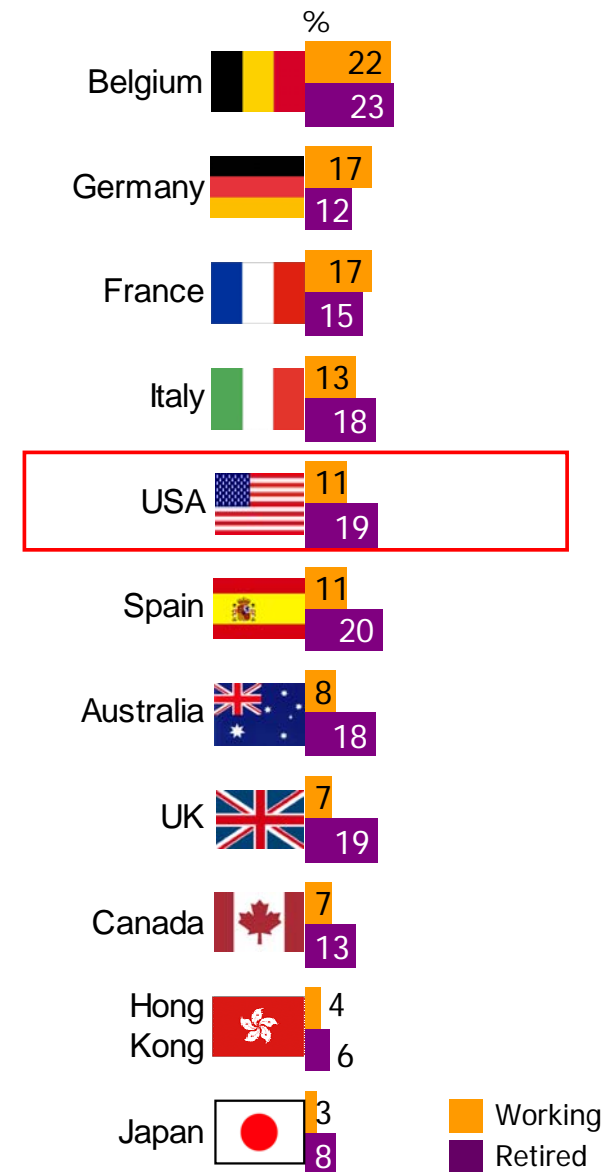
Sports



Voluntary work



Take care of family



Working
Retired



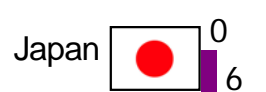
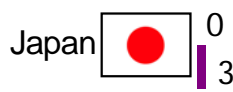
8. Which activities do people do / plan to do when retired?

Cultural interests, reading

Walking / hiking

Go on day trips / visits

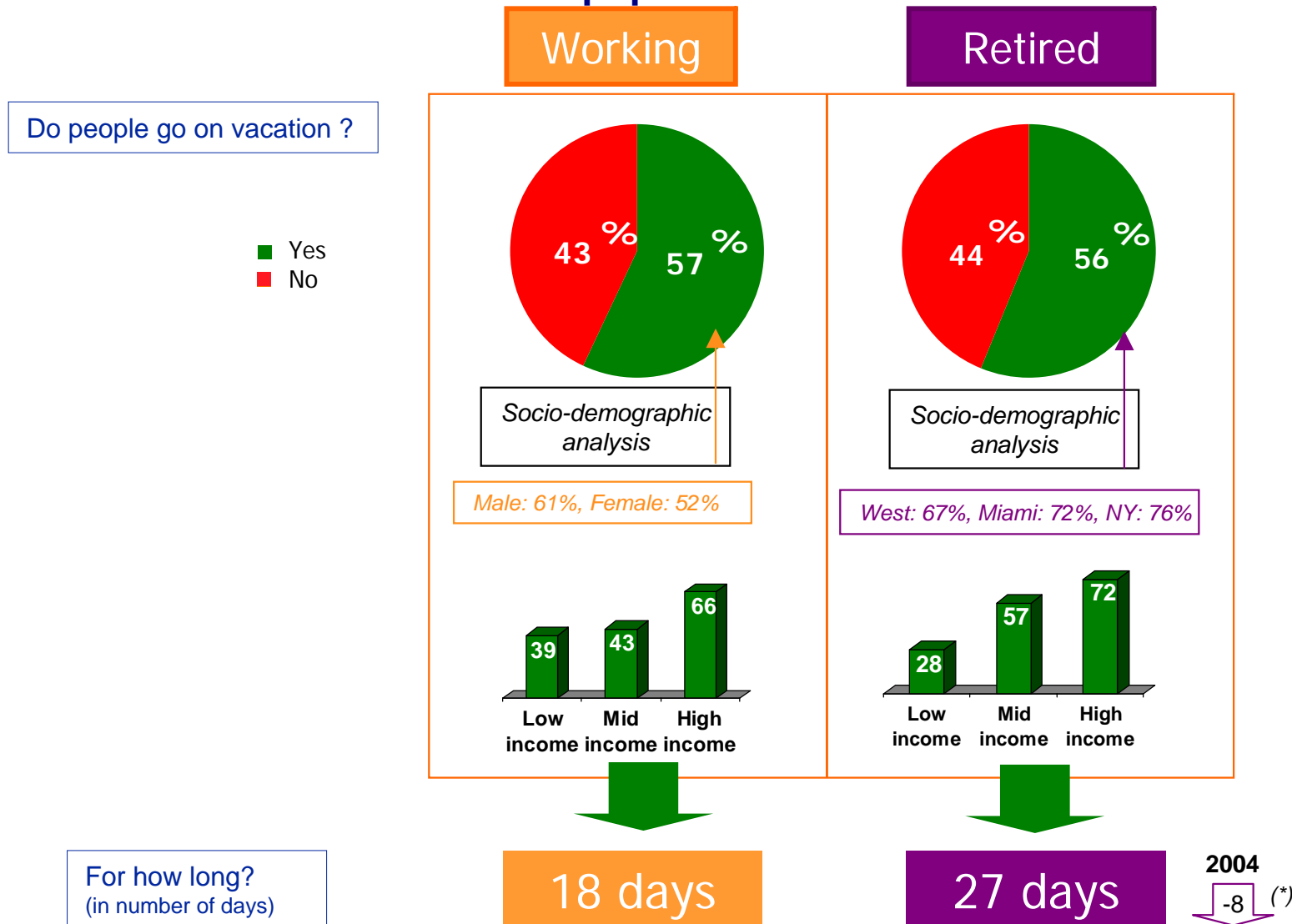
Do nothing



Working
Retired

9. If people go on vacation, what's the duration?

More than one out of two working/retired people go on vacation. Vacations of retired people last longer. The likelihood of going on vacation is also directly related to income level for both populations.



Base : n=435 working, n=413 Retired

Base : 250 working who went on vacation

Base : 232 retired who went on vacation

Q.8 Working and Retired: In the last twelve months, have you been on vacation, i.e. have you spent more than 5 days away from home? Q.9 Working and Retired: How many days have you spent on holiday over the last twelve months?

(*) different timings of fieldwork might have influenced these data

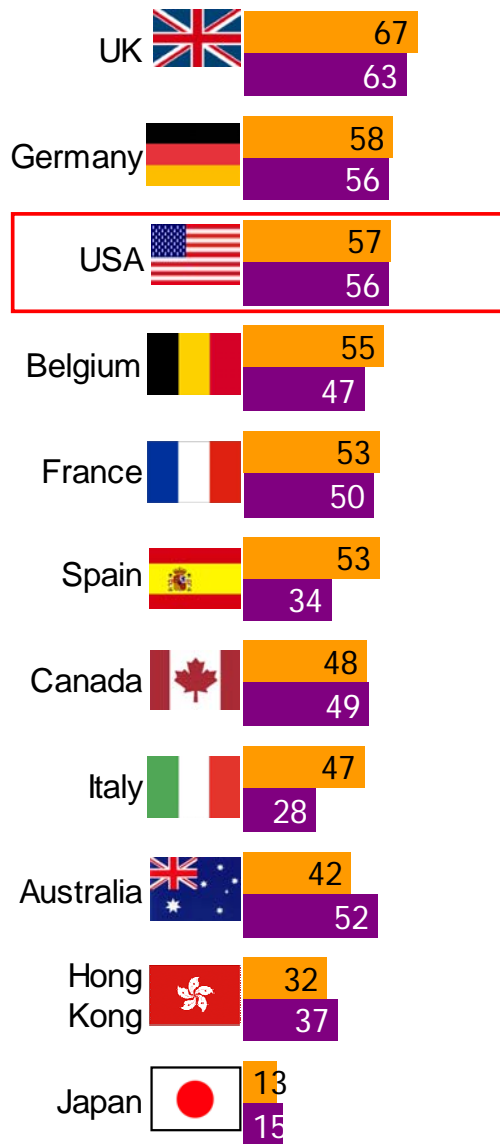


9. For how long do people go on vacation?

More American retirees go on vacation than other retirees, and the length of their vacations is average compared to other countries.

Do people go on vacation ?

% of "YES"



For how long?
(in number of days)



Working
Retired



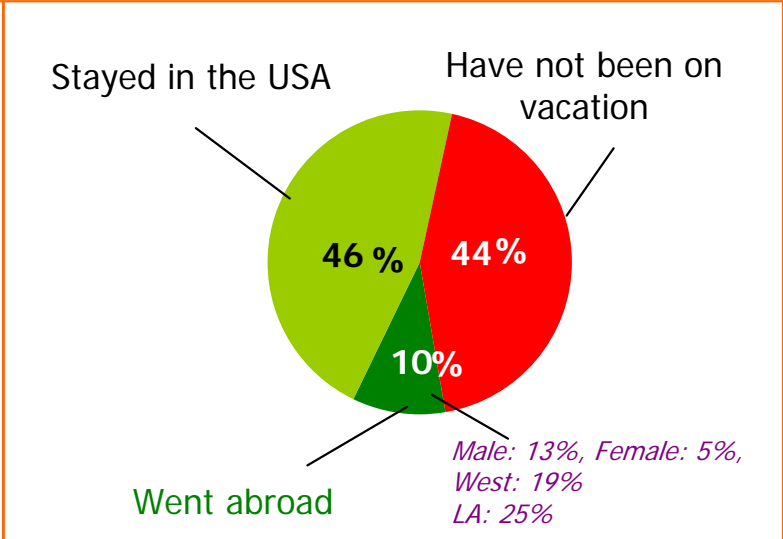
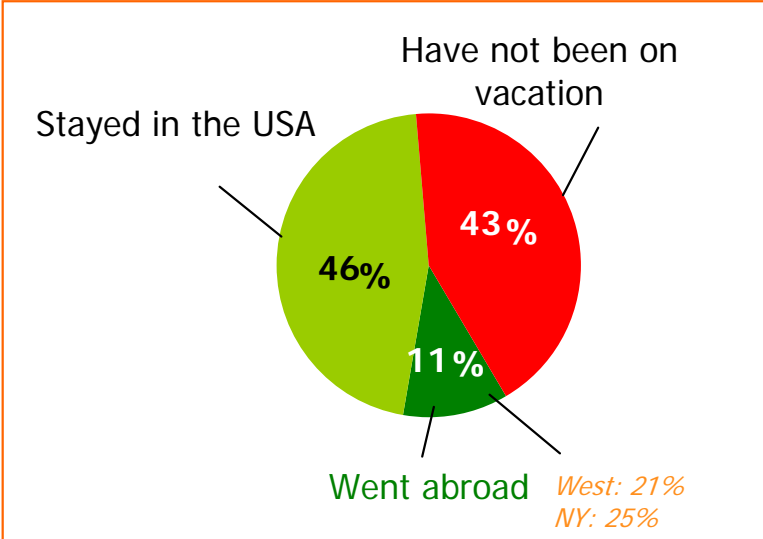
10. Where do people mainly spend vacation time?

When they go on vacation, American people stay in their own country. Those who travelled abroad are more likely to be from the West (especially Los Angeles) as well as New York.

Working

Retired

Primary vacation destination



In which country abroad?

- Canada: 2%
- Caribbean: 1%
- Central America: 1%
- France: 1%

- Canada / Caribbean/ UK: 1%

Base : n=435 Working, n=413 Retired



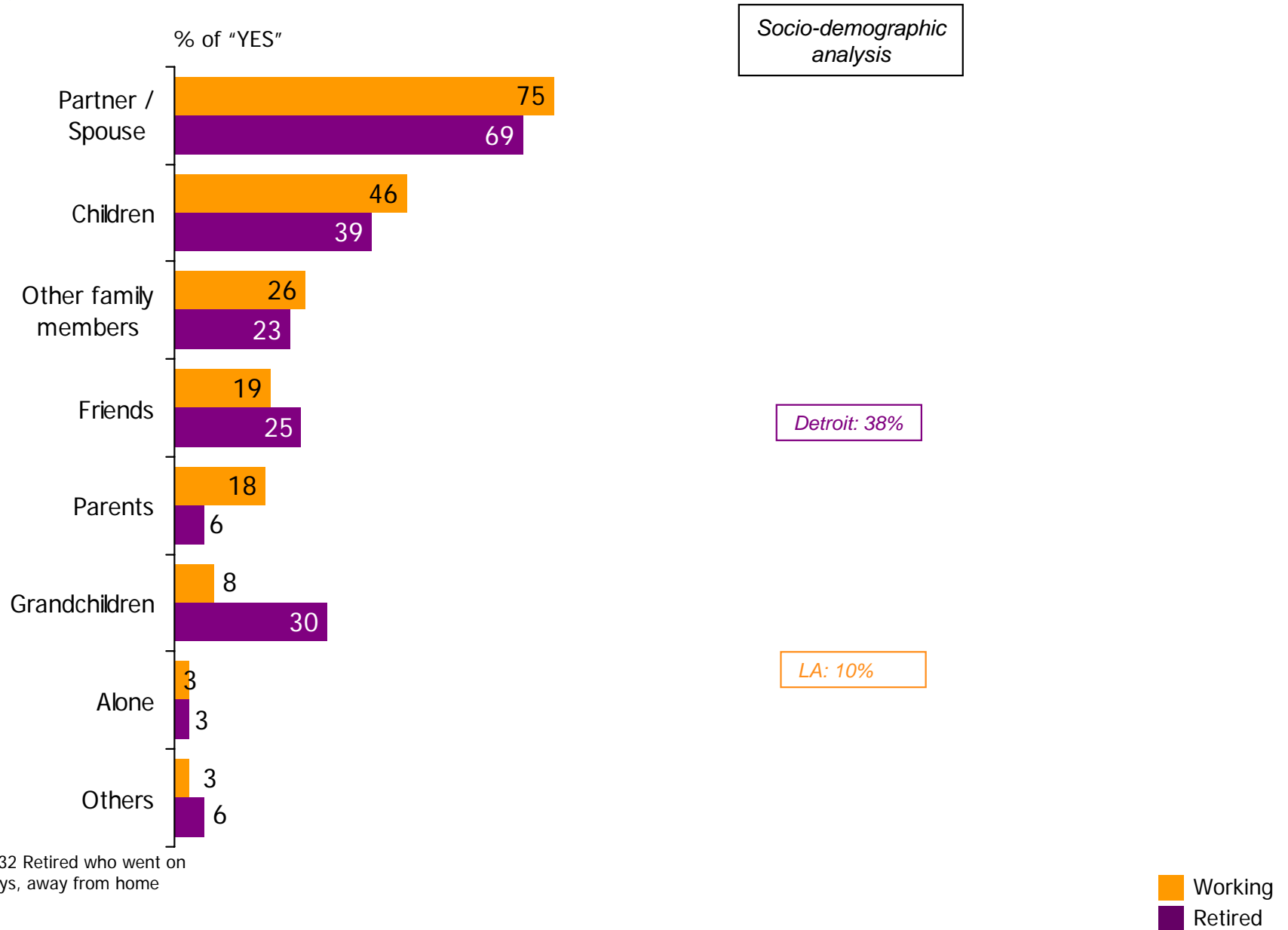
Q.10 Working and Retired: Where did you mainly stay during your last vacations?
 Q.11 Working and Retired: To which countries did you travel during your last vacations?

10. Where do people mainly spend vacation time?

Compared to Northern European countries, Americans (as well as Australians) take advantage of the tourist attractions of their country: fewer of them vacation abroad.



11. With whom did people spend their most recent vacations? Americans are almost never alone when they go on vacation, and mostly vacation with family. Retirees have more of a tendency to vacation with non-family members.

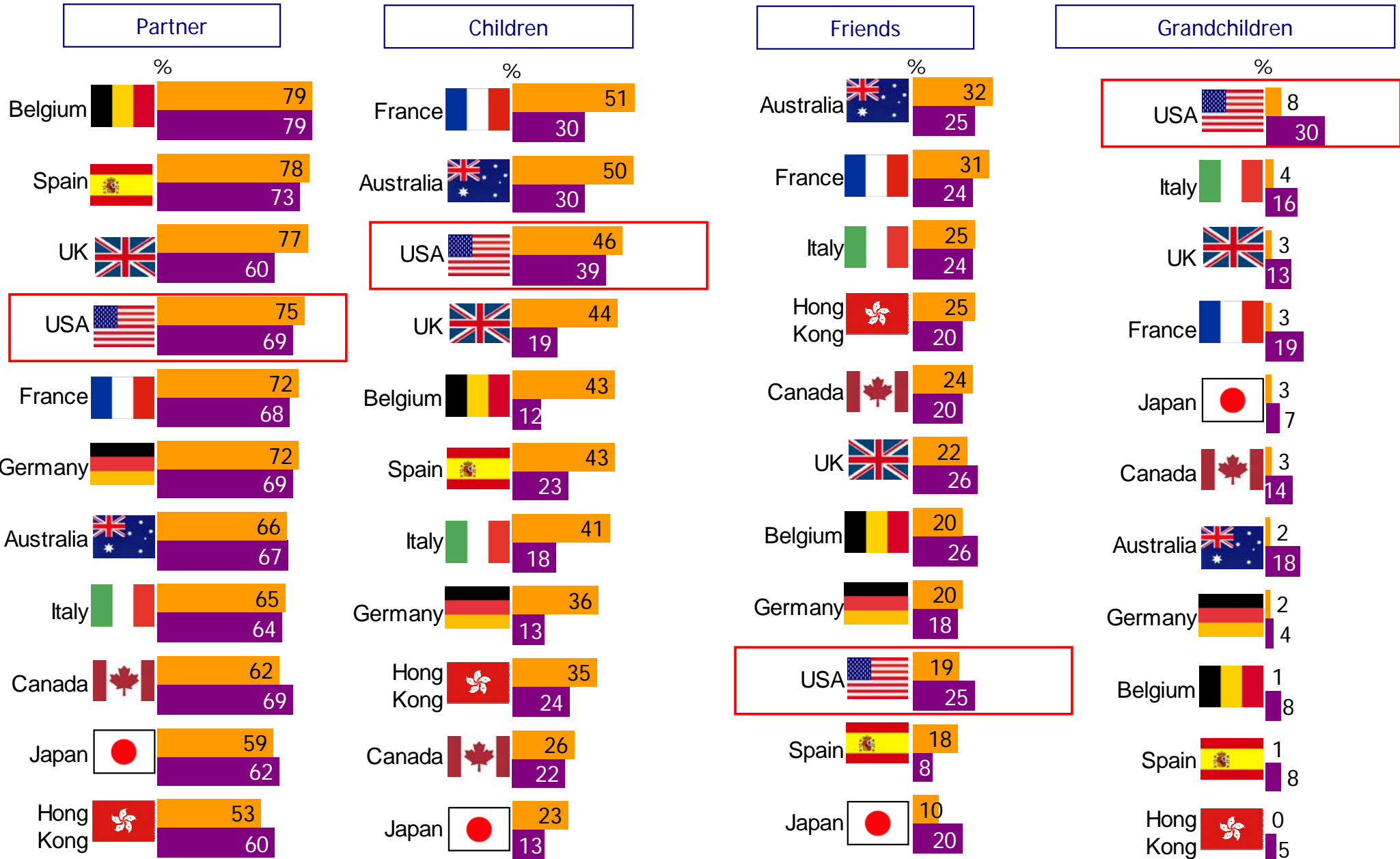


Base : n=250 working, n=232 Retired who went on vacation for more than 5 days, away from home



11. With whom did people spend their most recent vacations?

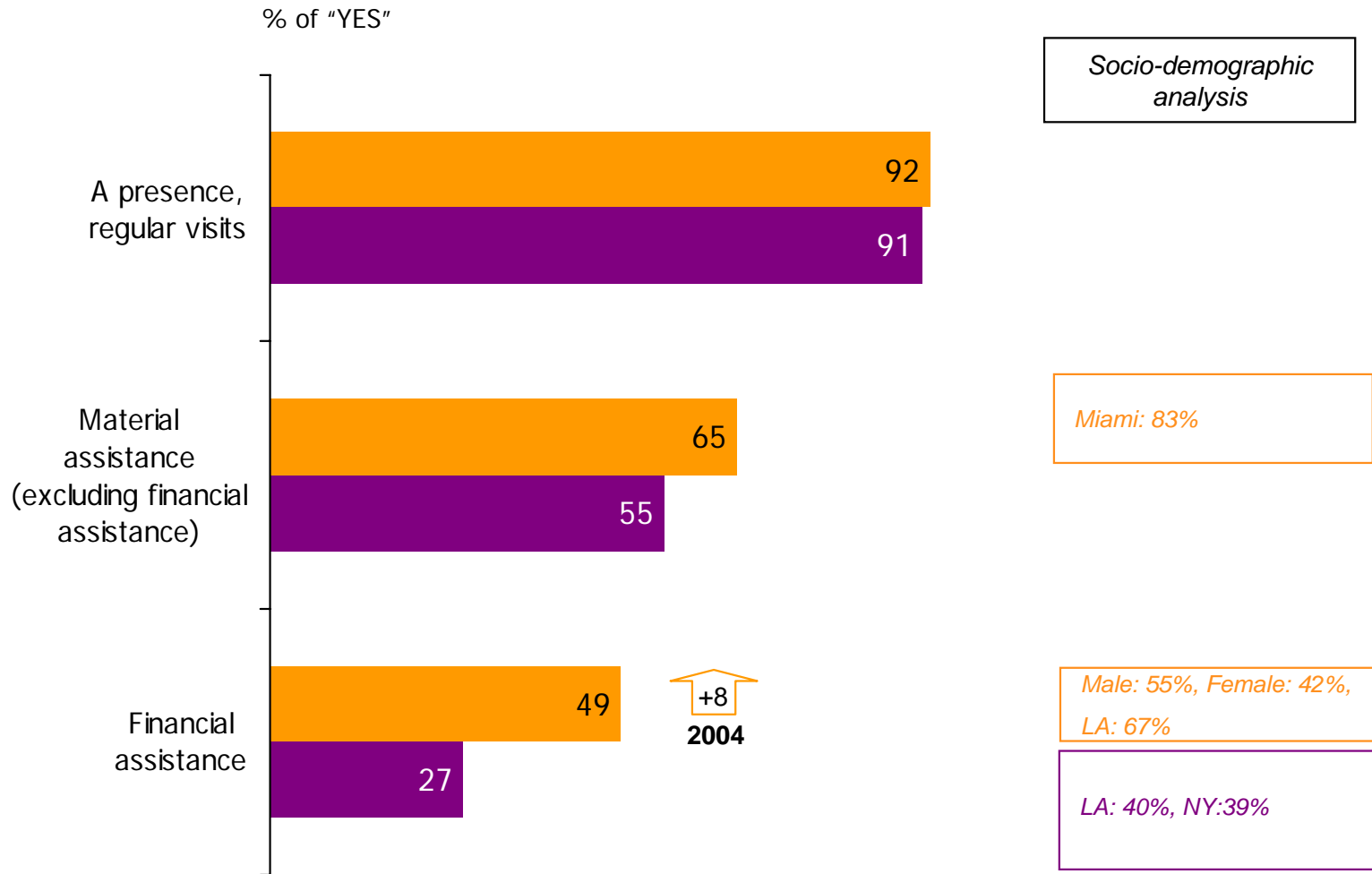
American grandparents often choose to go on vacation with their grandchildren.



Working
Retired

12. How should children support their retired parents?

When asked how children should support their retired parents, expectations of workers are generally greater than those of their elders. Visitation and material assistance are the two most important ways of supporting retired parents. Financial assistance has grown in importance since 2004.



Base : n=435 working, n=413 Retired

Working
Retired

Q.49 Working and Retired: Do you think children should support their Retired parents?

[AIDED QUESTION]

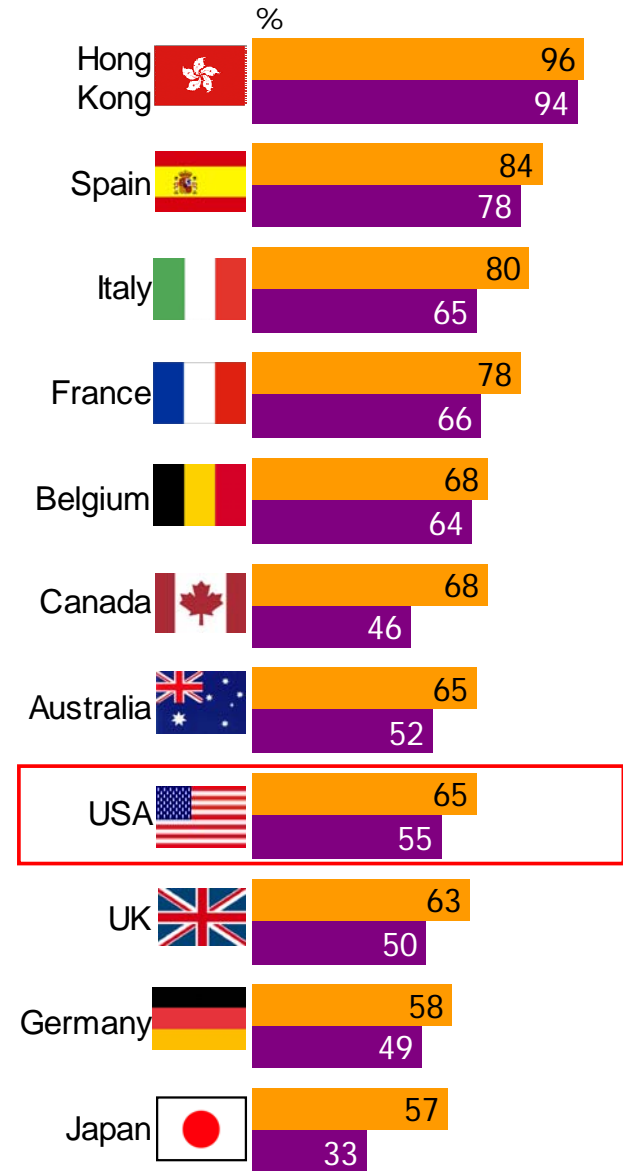
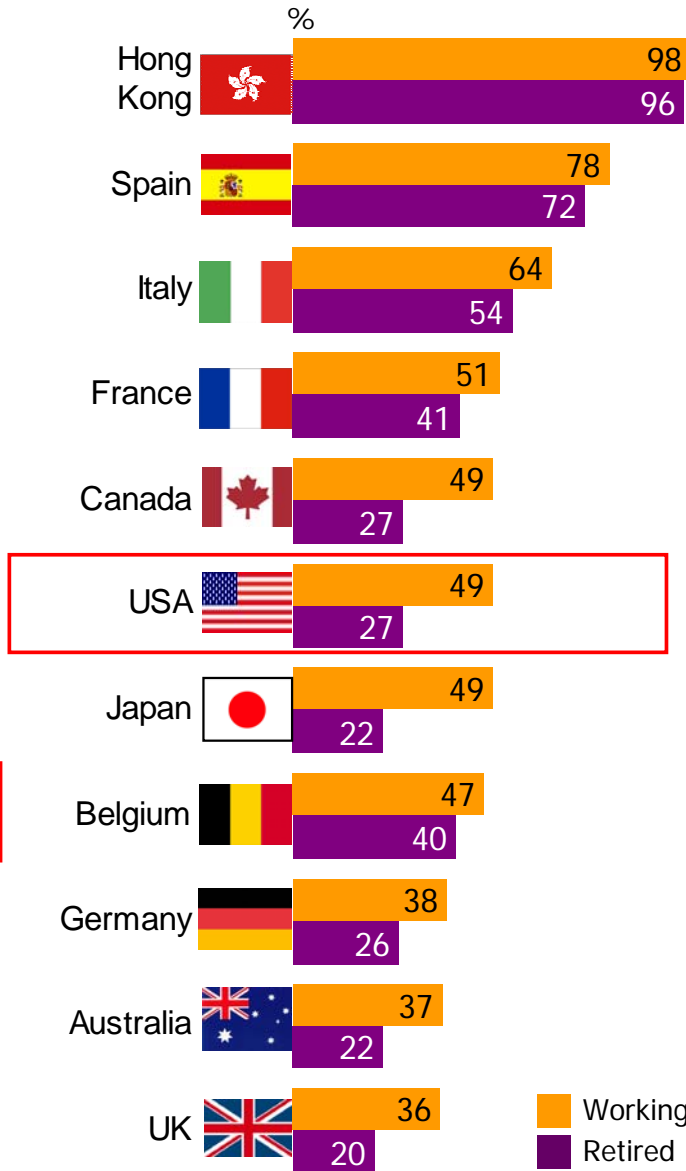
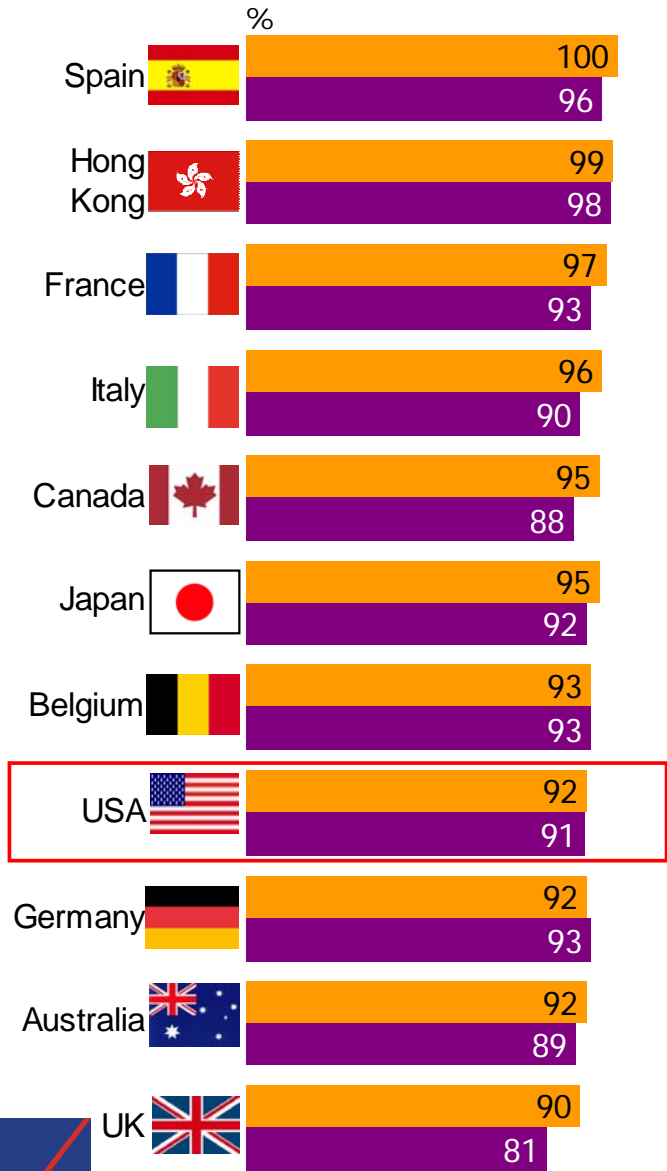
12. How should children support their retired parents?

Visitation is important for all surveyed.

A presence, regular visits

Financial assistance

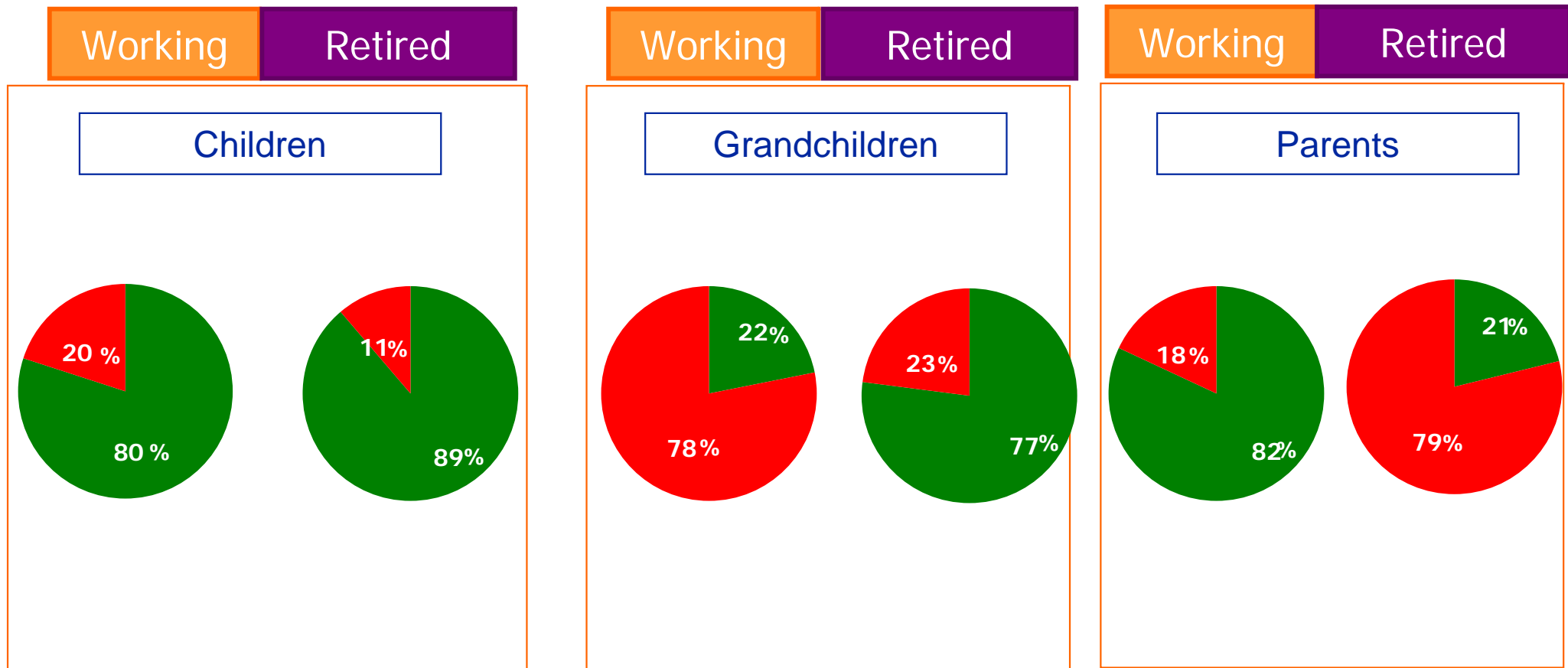
Material assistance (excluding financial assistance)



Working
Retired



13. How many Americans have children, grandchildren and parents? Two out of 10 retired people have living parents.



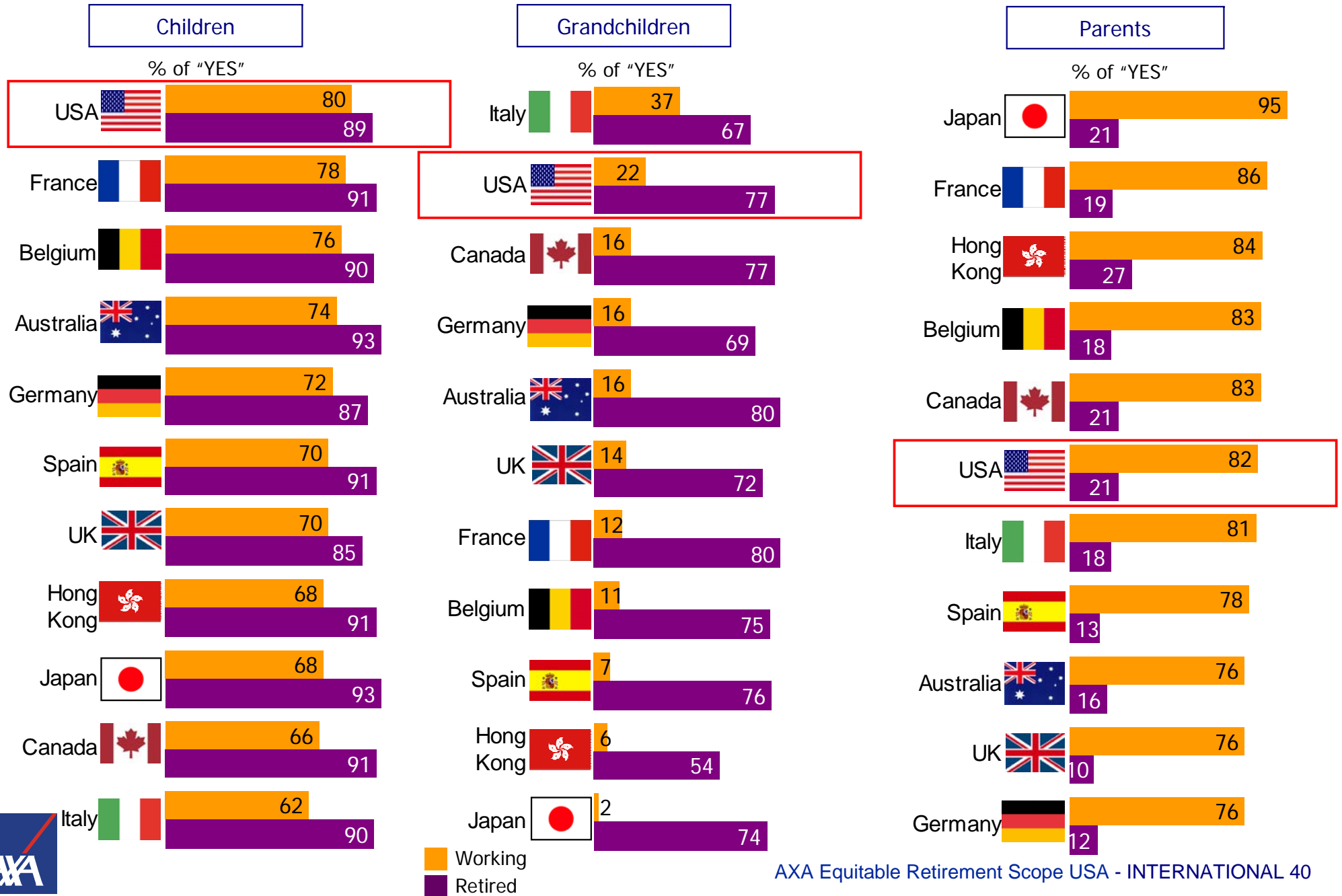
Base : n=435 working, n=413 Retired

■ Yes
■ No



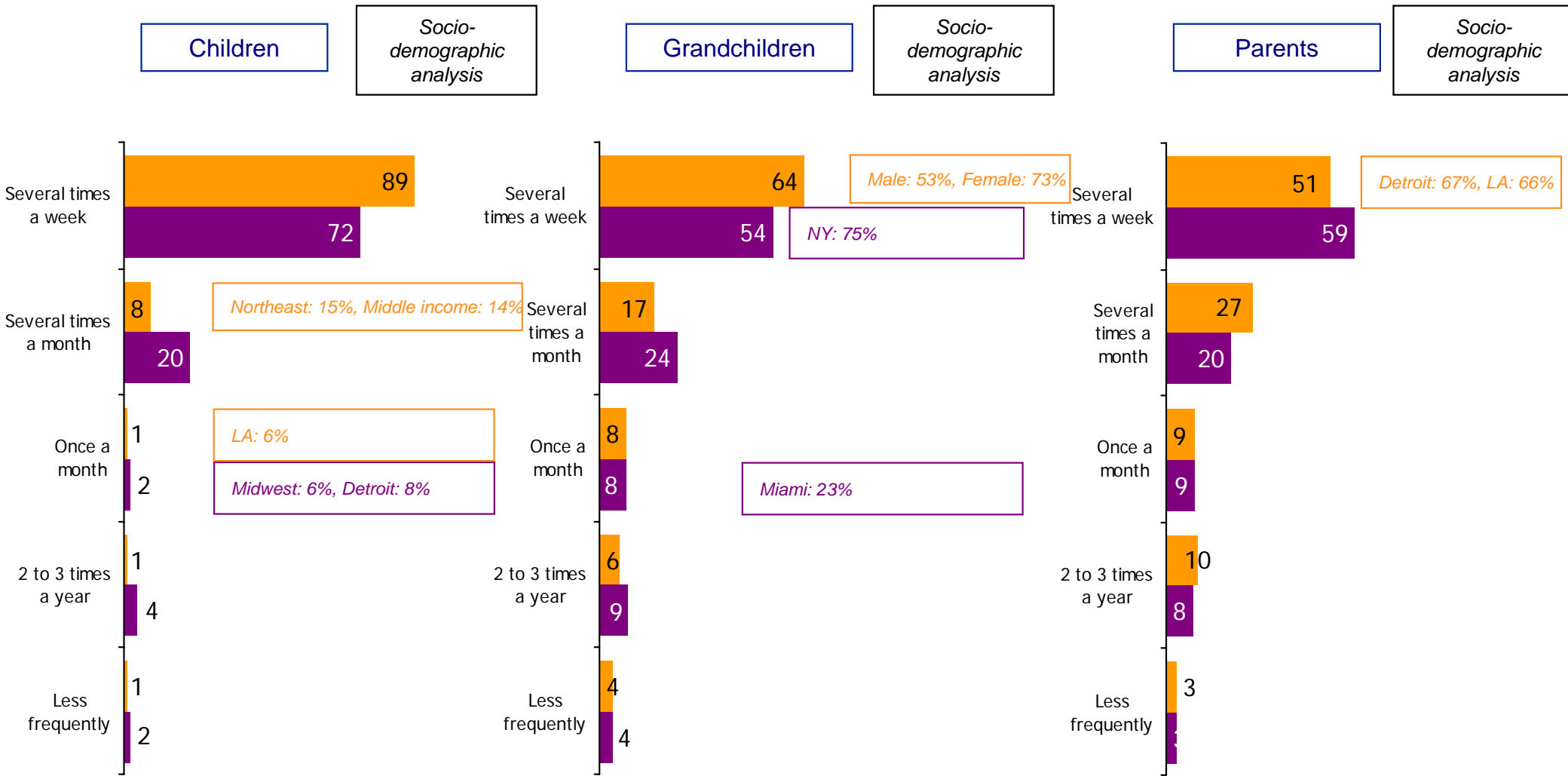
13. How many Americans have children, grandchildren and parents?

Americans had, and continue to have, a higher birth rate. This leads not surprisingly to a high number of grandparents, especially among working people.



14. How frequently are people in contact with family members?

With the exception of retired people with living parents, workers are in more regular contact with family members than retirees. There are marked differences in certain cities, and when it comes to seeing grandchildren women are more active.



Base : 350 working who have children (=80%), n=367 retired who have children (=89%)

Base : n=95 working who have grandchildren (=22%), n=319 Retired who have grandchildren (=77%)

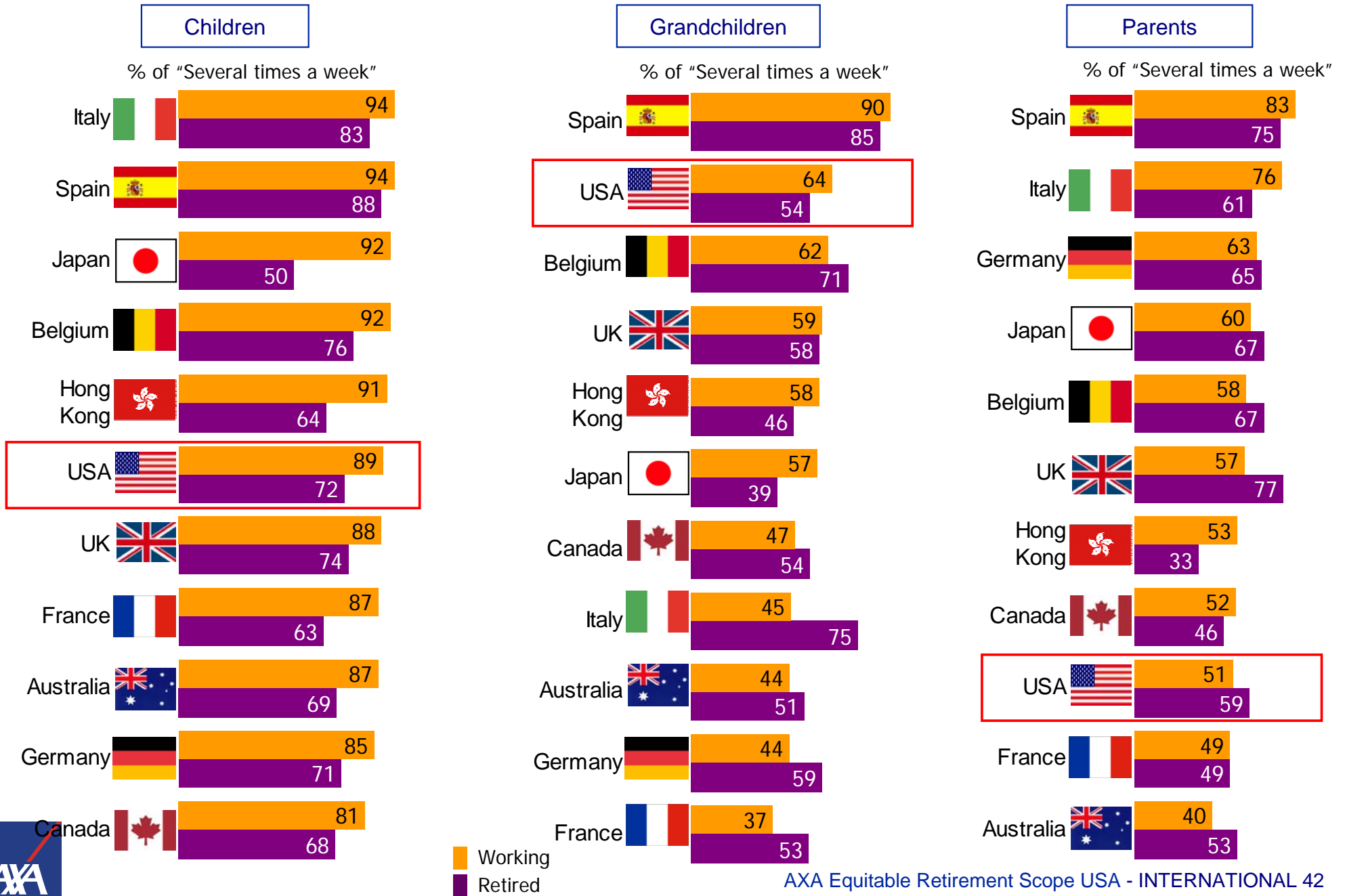
Base : n=358 working who have parents (=82%), n=86 Retired who have parents (=21%)

Working
Retired



14. How frequently are people in contact with family members?

While Americans favor relationships with their grandchildren, they tend to score relatively lower when it comes to visiting with their parents.



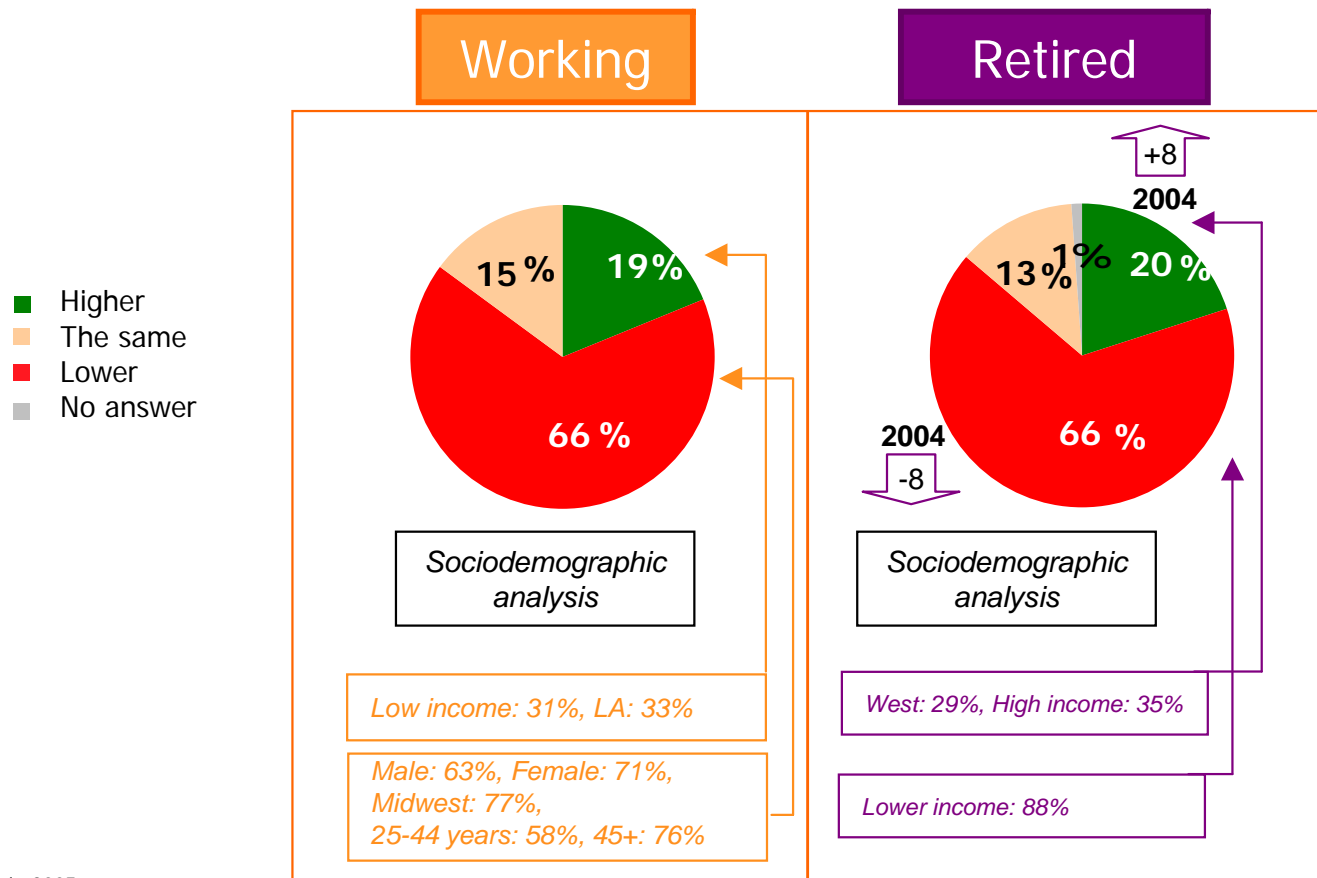
Retirement from a financial point of view:

- Does retirement mean improved or diminished living standards?
- Do people prepare for and plan for retirement?

Working vs. Retired

1. Is / Will retirement income be higher or lower than the last earned salary?

Working people are realistic concerning their future retirement income: it will be lower than their last earned salary. Compared to 2004, retired people are more numerous to claim a higher retirement income than their last earned salary.



Question not asked to housewives in 2005

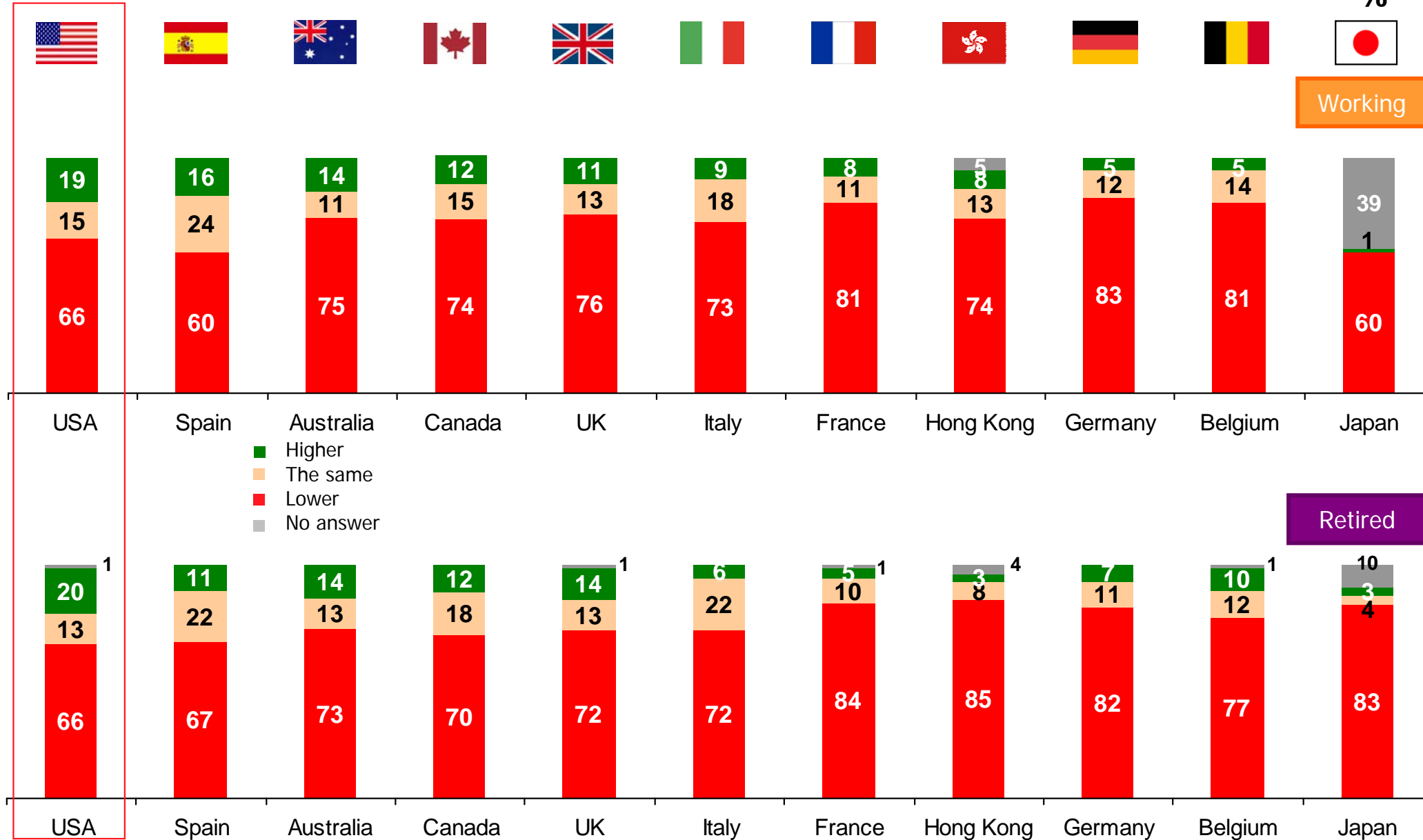
Base : n=391 working, n=391 retired

Q.20 Working: Considering your total retirement income -government and private benefits, savings, investments and other assets and company pensions-, do you think that your annual retirement income will be higher, as high or lower than your last salary? Retired: Considering your total retirement income -government and private benefits, savings, investments and other assets and company pensions-, do you think that your annual retirement income is higher, as high or lower than your last salary?



1. Is / Will retirement income be higher or lower than the last earned salary?

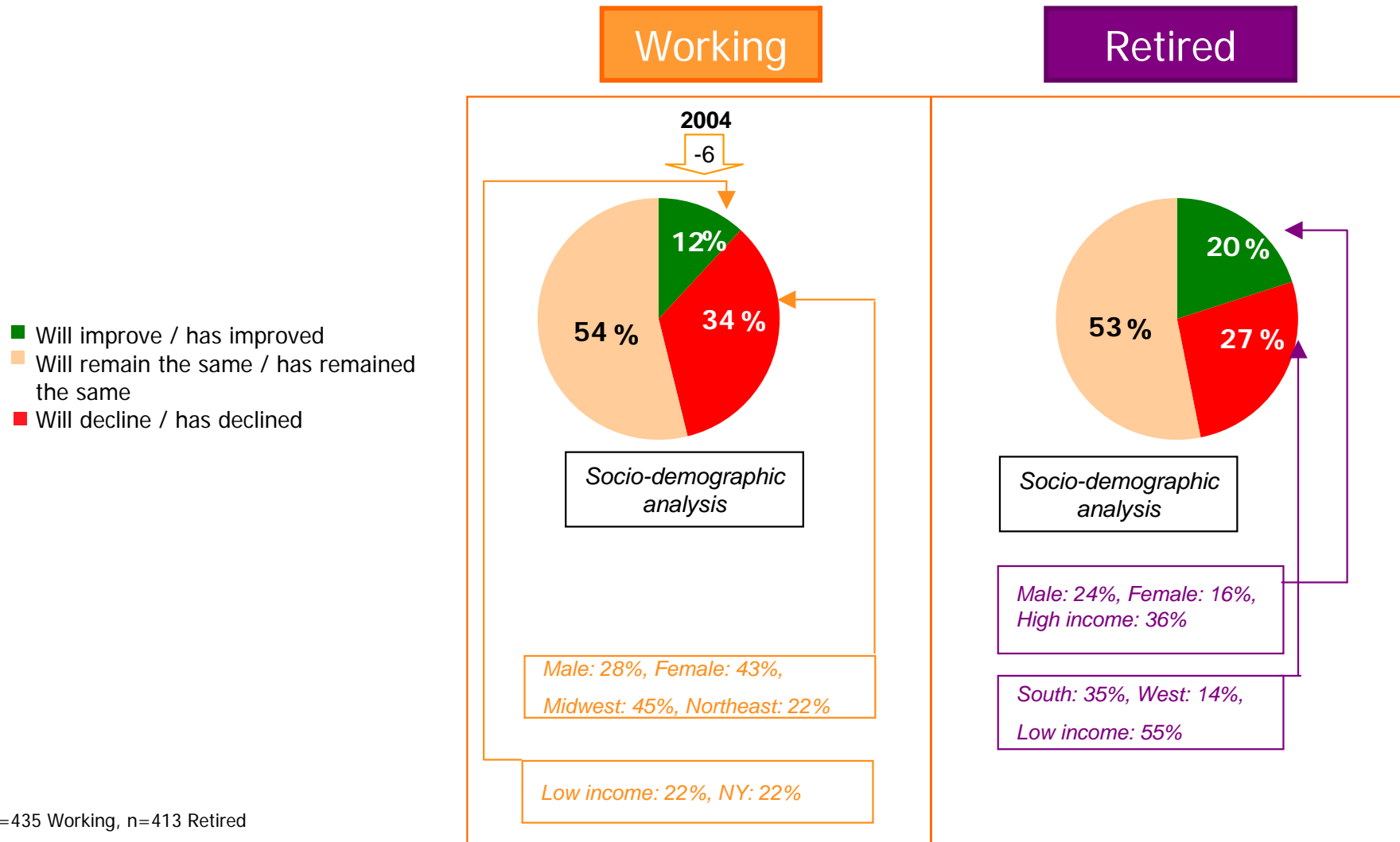
One third of working and retired Americans shares a common optimistic view of their financial situation after retirement, more so than in many other countries.



2. Does retirement mean improved or diminished living standards?

The majority of working people anticipate at least a stabilization of their standard of living for when they retire, but their optimism is weaker than in 2004.

In reality, the standard in retirement appears higher than anticipated. Among retirees, men and higher income people project a higher standard of living.

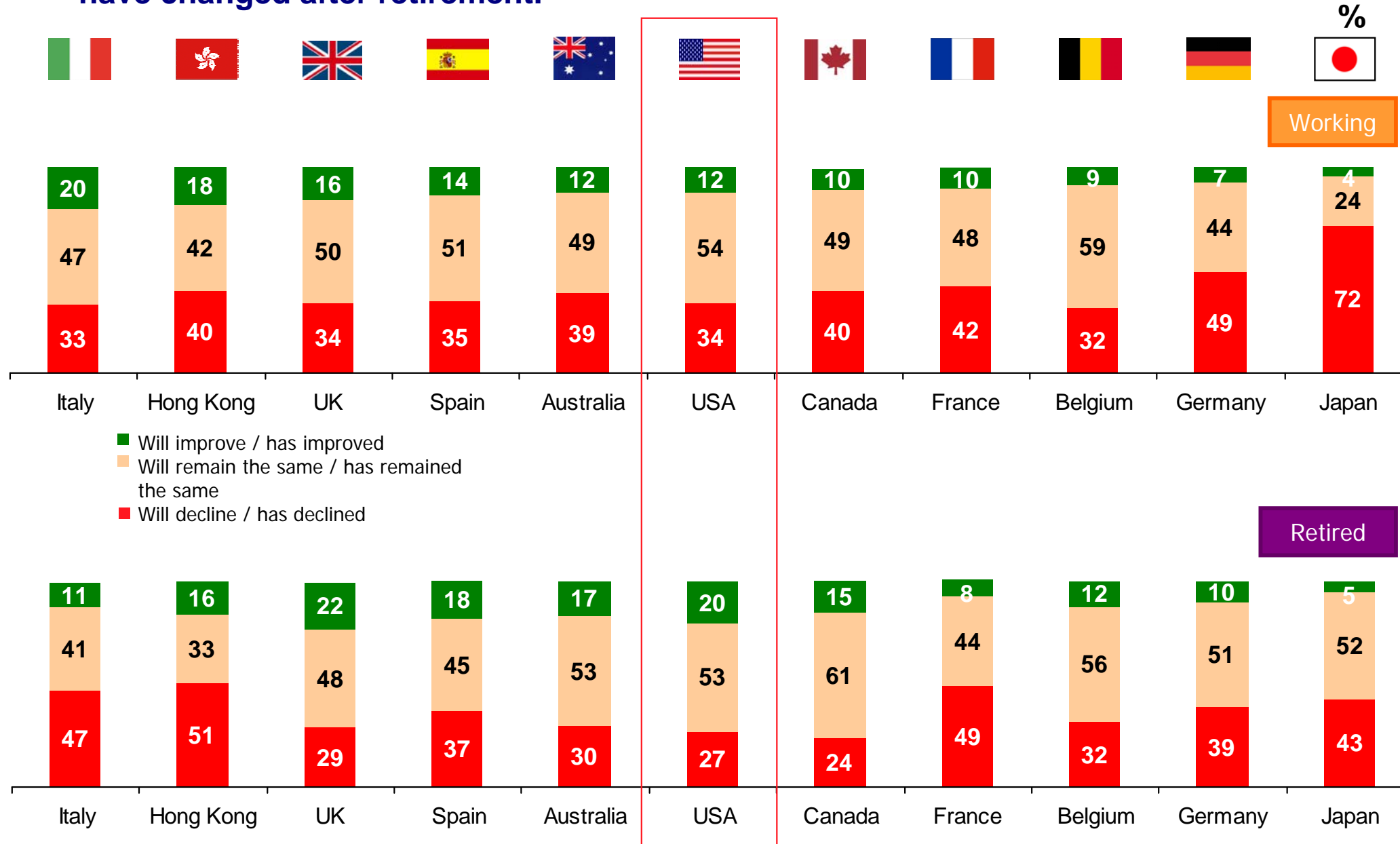


Base : n=435 Working, n=413 Retired

Q.23 Working: Do you think that our standard of living will improve, remain the same or decrease after you retire? Retired: Do you think that your standard of living has improved, remained the same or decreased since you Retired?



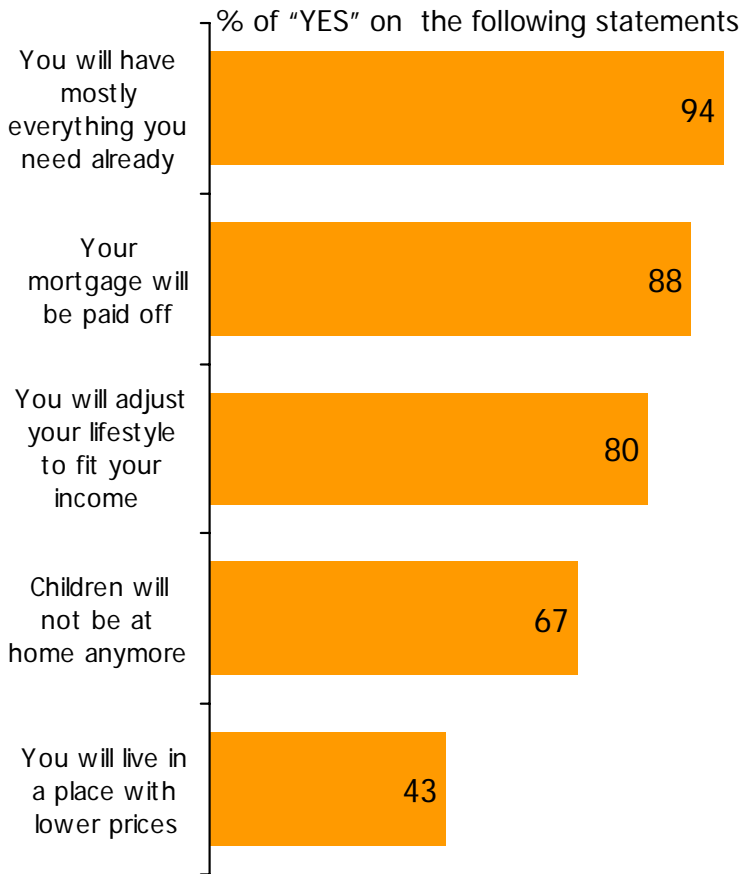
2. Does retirement mean improved or diminished living standards? In both groups, a majority of Americans think their living standards will change or have changed after retirement.



3. Why has / will the standard of living improve or remain the same? Adaptability to retirement income, being free of mortgage payments and not needing to buy new things are the main reasons for keeping (at least) the same standard of living. Retired people with low incomes are those who choose to live in places with lower prices to maintain their standards of living.

Working

Socio-demographic analysis



Northeast: 55%, LA: 60%

Retired

Socio-demographic analysis



Lower income: 63%

Base : n=286 working, n=301 Retired who think that their standard of living will improve / has improved or will remain the same / has remained the same

Working
Retired

Q.24 Working: Why do you think your standard of living will improve or remain the same? Because ...? Retired: Why do you think your standard of living has improved or remained the same? Because...?



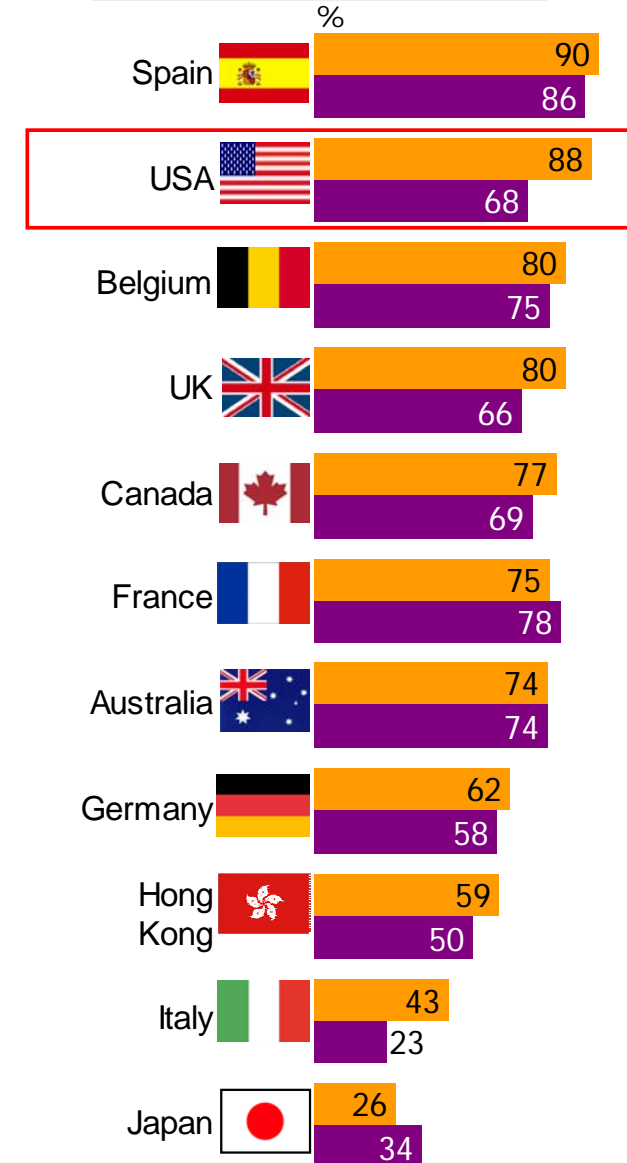
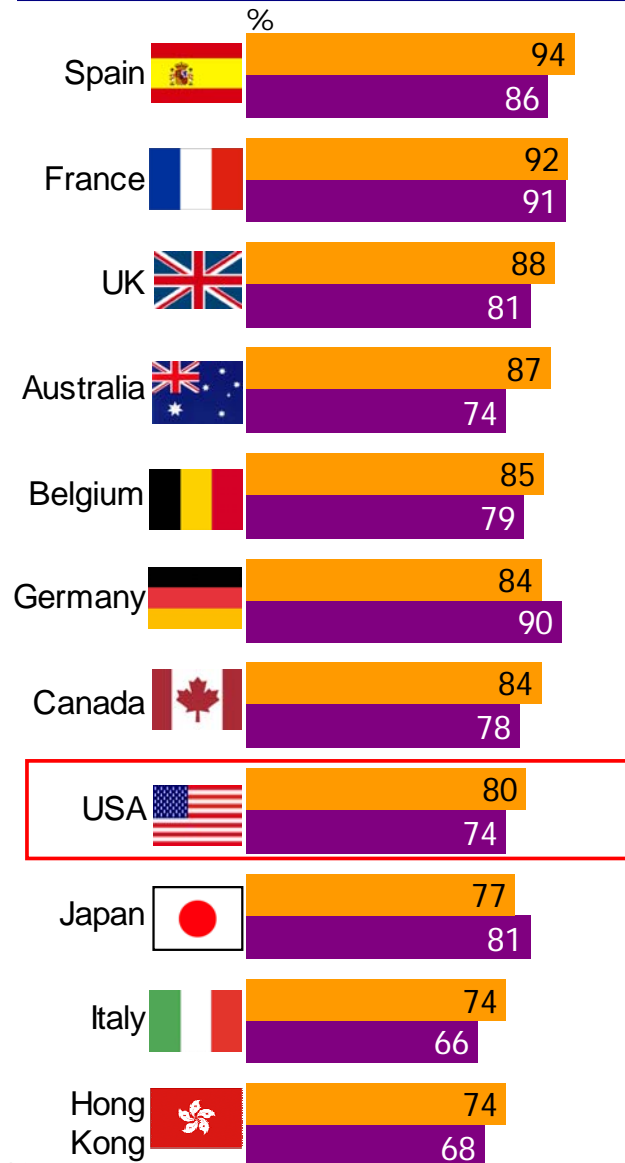
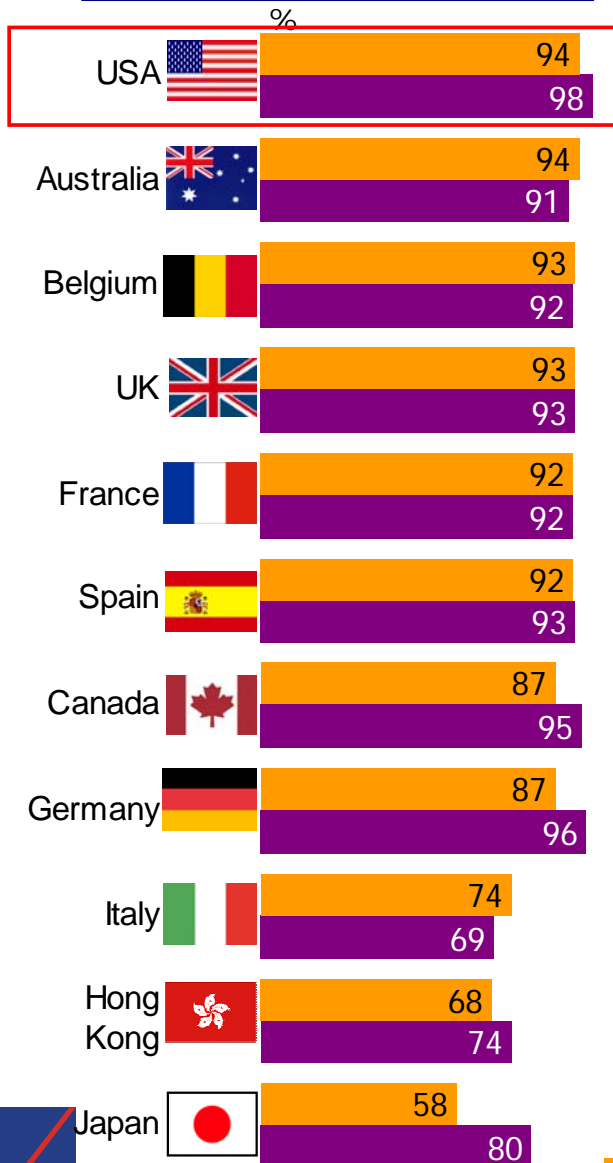
3. Why has / will the standard of living improve or remain the same?

Material needs and financial independence are deemed to improve or maintain working Americans' standards of living. This is confirmed by retirees, though mortgages still may loom later in life.

You will/ have mostly everything you need already

You will/ have adjusted your lifestyle to fit your income

Your mortgage will be/is paid off

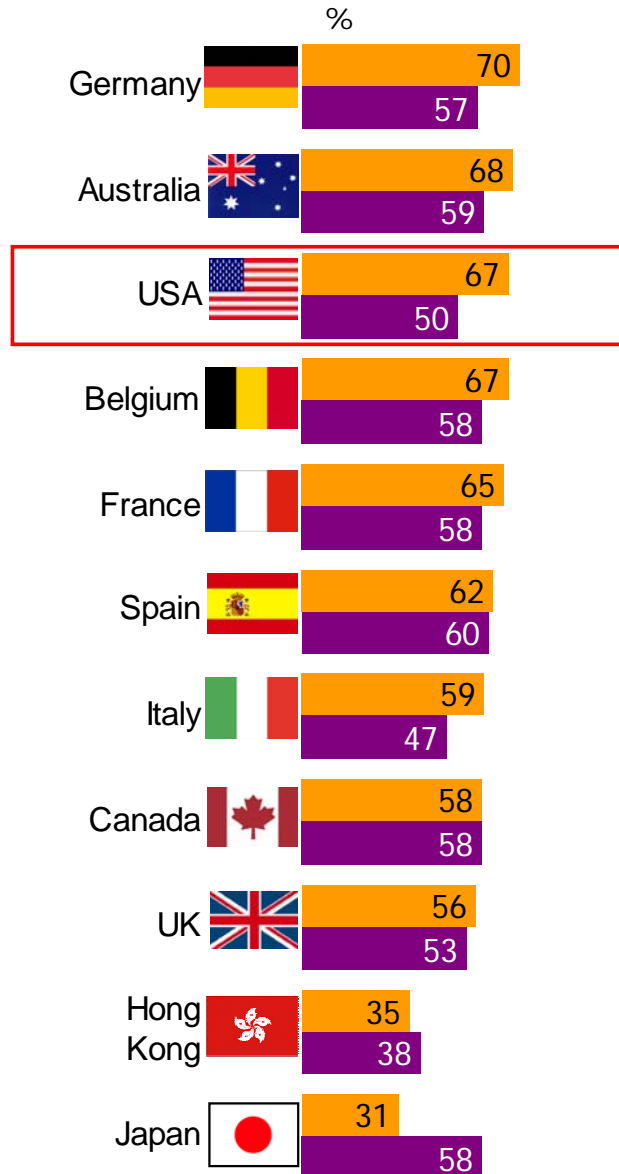


Working
Retired

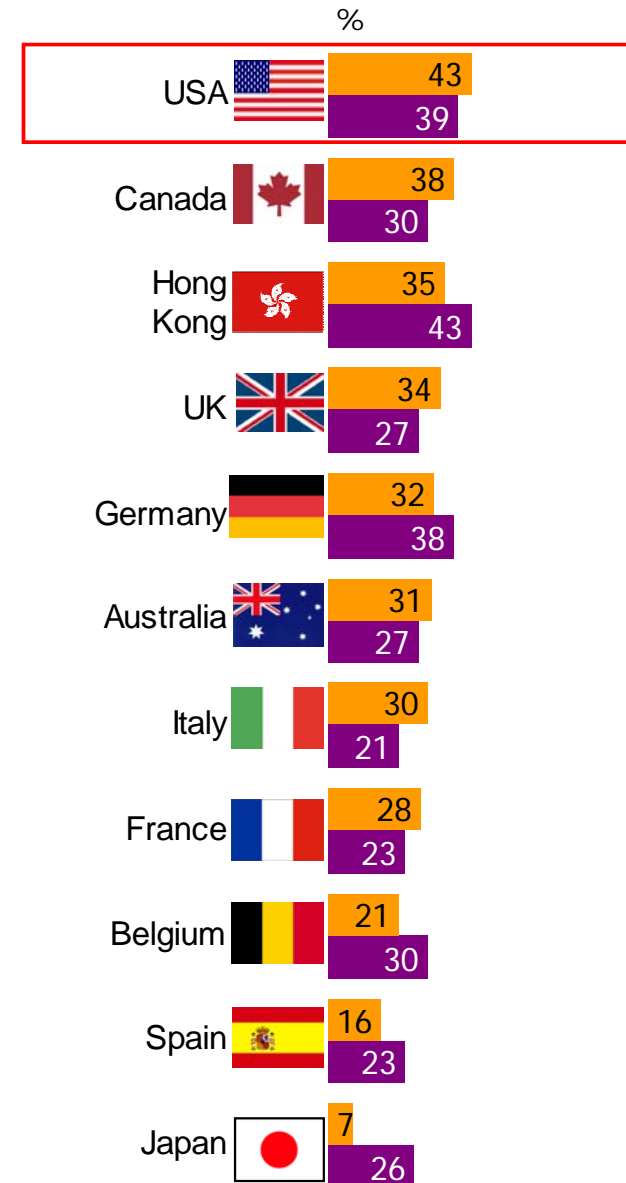
Base : stable or improved standard of living

3. Why has / will the standard of living improve or remain the same? “A less expensive place to live for a better living standard” is a more common option in the U.S. than in many other countries.

Children will no longer be / are not at home anymore



You will live / currently live in a place with lower costs

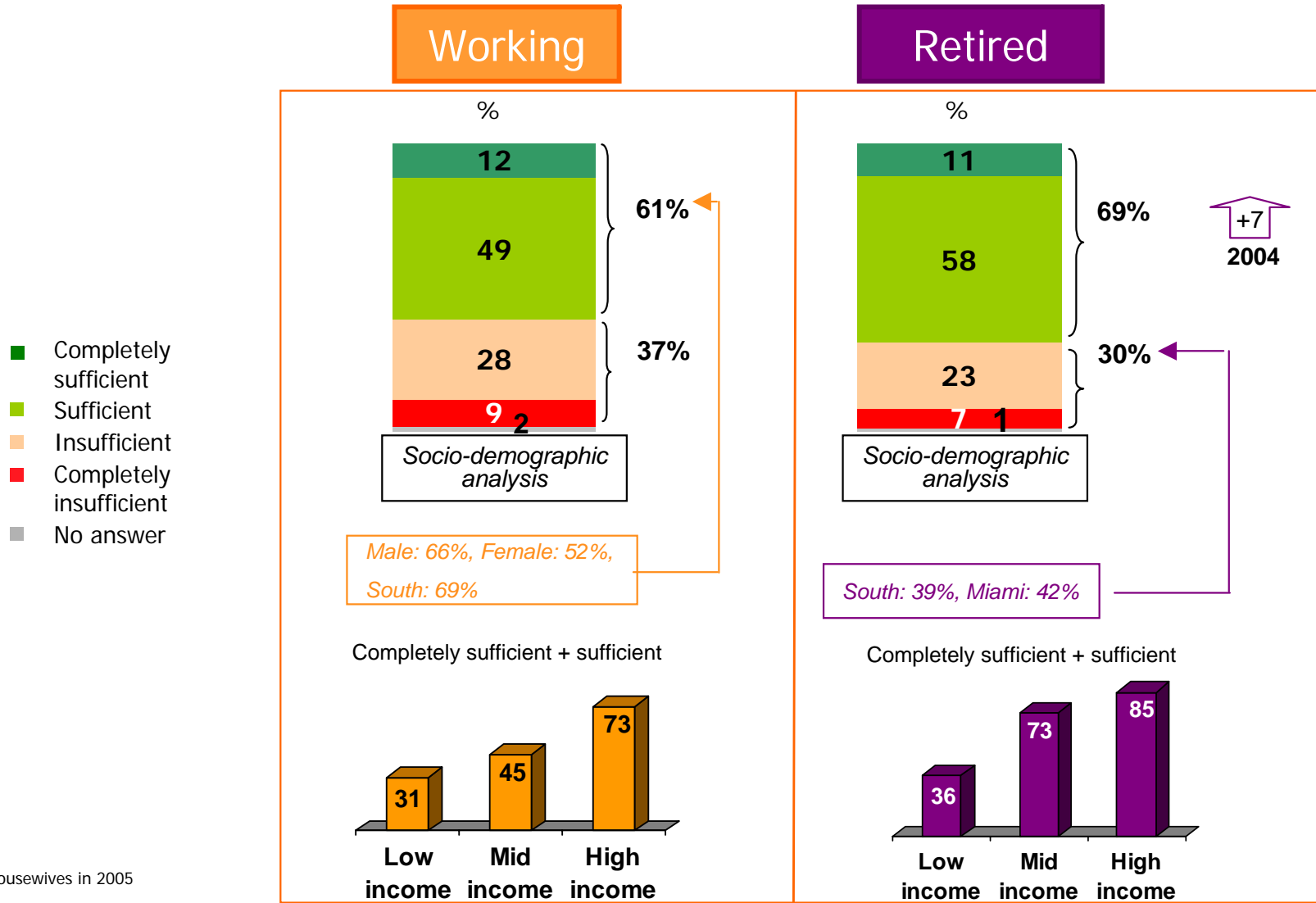


Working
Retired



4. Is / Will retirement income be sufficient?

Workers are generally confident in the sufficiency of their retirement incomes, and retirees report even higher rates of satisfaction, both compared to the workers and to their reality in 2004. There is a direct correlation with sufficiency/presumed sufficiency of retirement income and household's income.



Question not asked to housewives in 2005

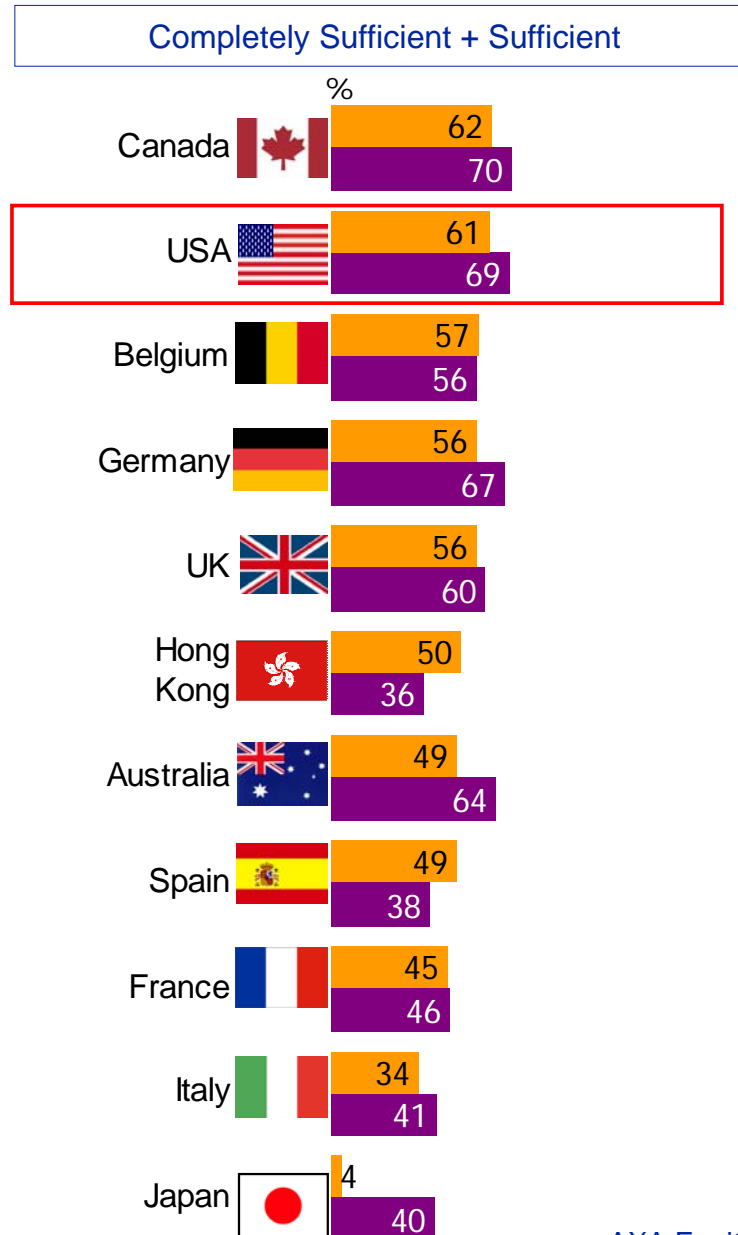
Base : n=391 Working, n=391 Retired



Q.22 Working: Still considering your total retirement income –government and private benefits, savings and company pensions etc-, do you think that the amount of your retirement income will be ...? Retired: Still considering your total retirement income – government and private benefits, savings and company pensions, etc. -, do you think that the amount of your income is ...?

4. Is / Will retirement income be sufficient?

Both working and retired Americans trust that their retirement income is / will be sufficient, ranking second only to Canadians among those surveyed.



4. What will be / is the main source of retirement income?

In the U.S. when they retire, workers expect to rely on their own retirement savings.

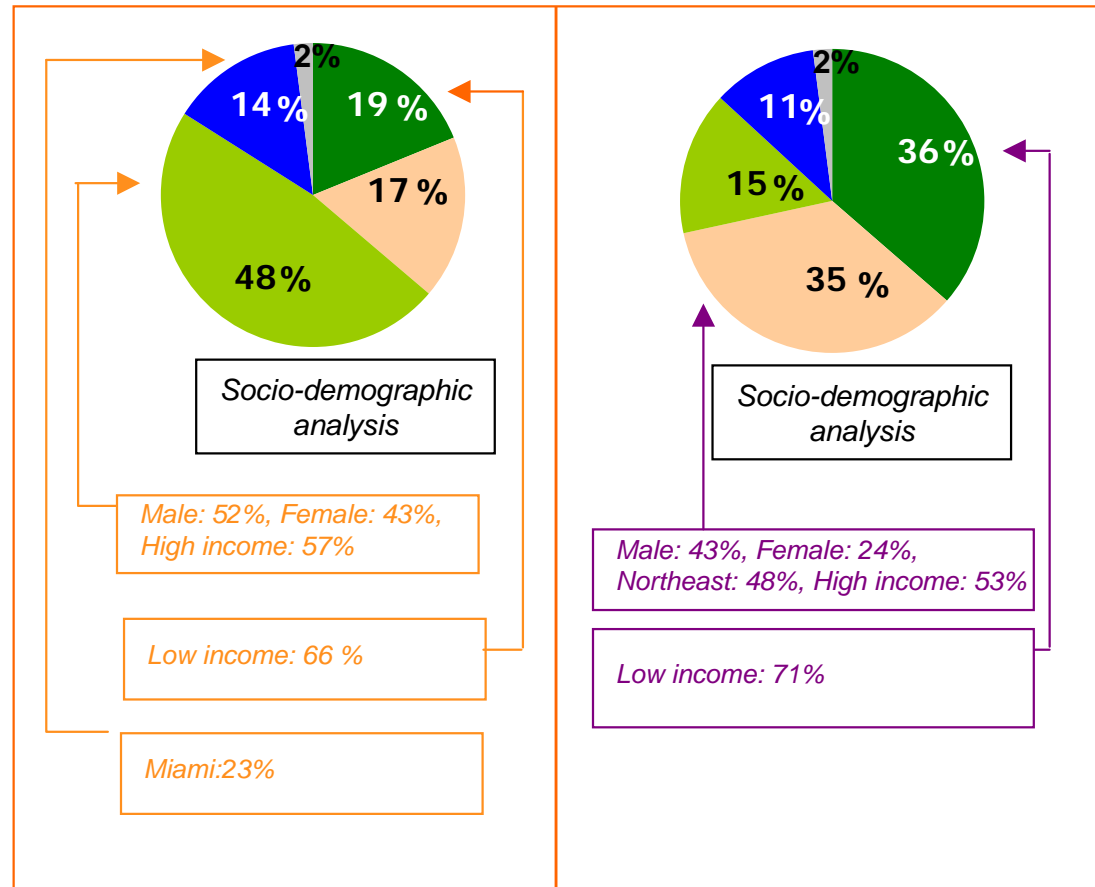
Those with lower income expect Social Security to be the major source of retirement income.

Reality differs from expectations of working people: pension plans and Social Security are the main sources for retirees.

Working

Retired

- Social Security
- Retirement Savings
- Pension Plan
- Other
- DK / No answer



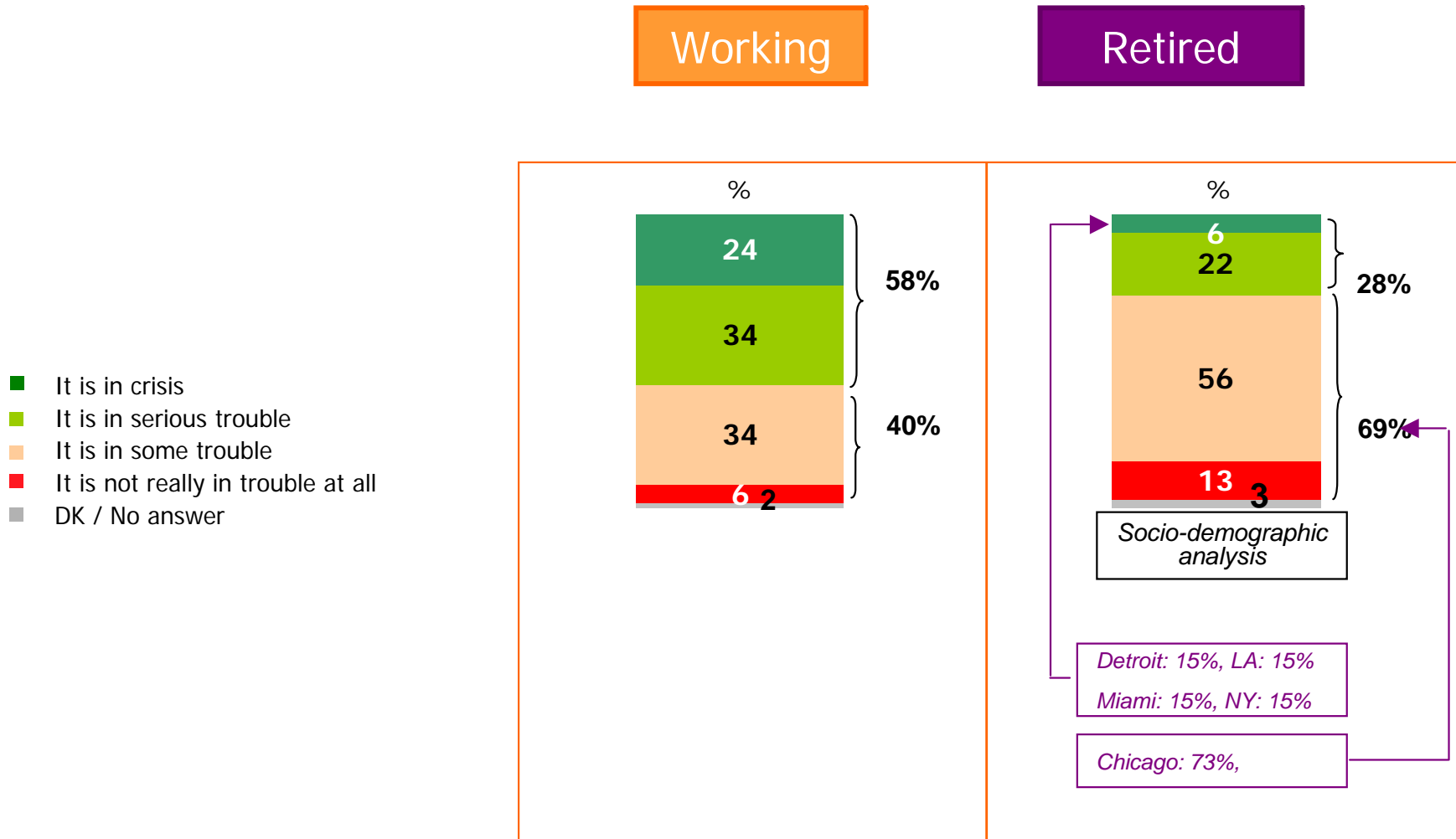
Base : n=435 Working, n=413 Retired



Q.22bis Working: Looking ahead to your retirement, what do you expect to be your major source of income? Retired: What is the major source of income in your retirement ?

4. What is the status of Social Security?

Opinions on the current financial condition of Social Security differ between both populations: it is deemed in serious trouble for one out of two working people versus a majority of retirees who do not perceive such a crisis.



Base : n=435 Working, n=413 Retired

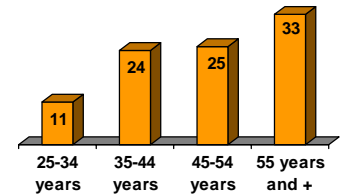
Q.37bis: Which of the following do you think best describes the financial situation of Social Security today?



5. Do working people know the amount of their future retirement income? What is the actual average retirement income?

Few working people know the amount of their future retirement income but this knowledge increases with age. In reality, retirement income is dramatically sufficient to pay household expenses.

22% of the working population knows the amount of their future retirement income



Question not asked to housewives in 2005 Base: n=391 working

Q.21 Working: Considering your total retirement income -government and private benefits, savings, investments and other assets and company pensions etc-, do you know the amount of your annual future retirement income?

Retired

Average amount of all retirement income

\$4,243

High income: \$6,216,
LA: \$10,500 NY: \$6,748

Median income (separating the population in two halves)

\$2,350

No answer

25%

Average amount necessary to pay household expenses

\$2,199

High income: \$2,822,
Miami: \$3,540, NY: \$4,911

Median income (separating the population in two halves)

\$1,510

No answer

13%

Base : n=391 retired

Q.21a Retired: What is the total net monthly amount of all your pensions?

Base : n=413 retired

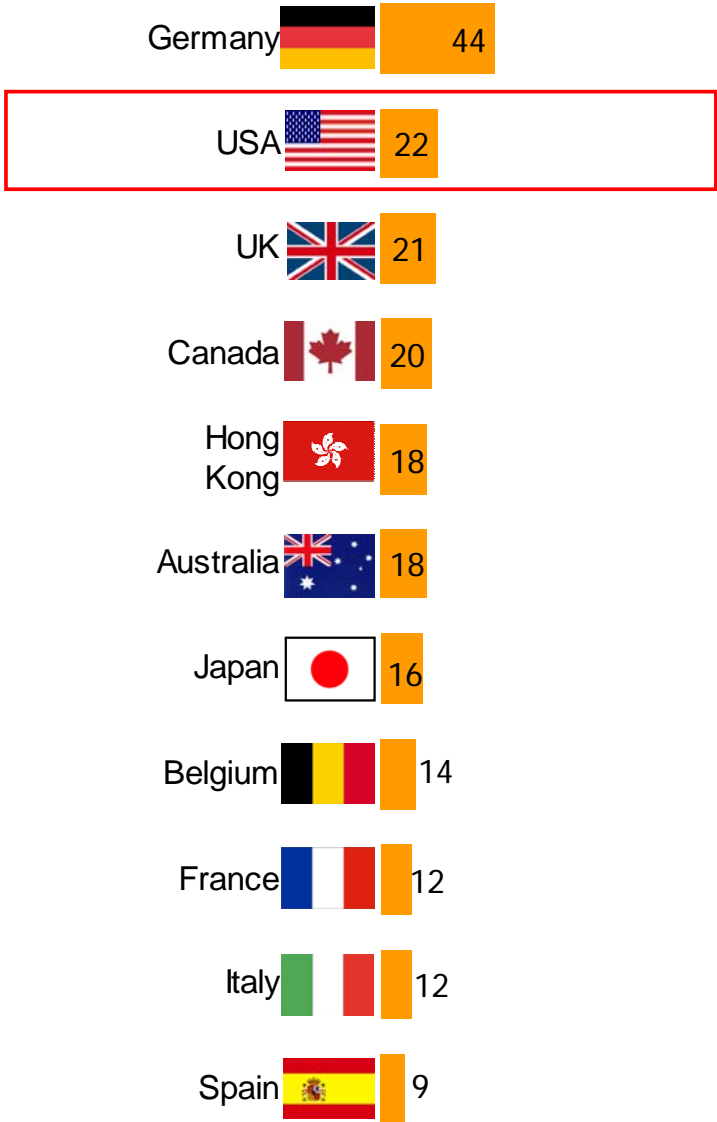
Q.25a Retired: How much would you need per month for your household expenses?



5. Do working people know their future retirement income?

Only one out of five American workers is informed about their future retirement income, yet far behind the Germans, 44% of whom know their retirement income.

In % of those who know their future retirement income














Working



5. What is the retirement income for retired people?

Retired Americans consider themselves wealthy, and claim a high level of both pension and disposable income.

	TOTAL NET MONTHLY AMOUNT OF ALL THE PENSIONS	AMOUNT NEEDED FOR HOUSEHOLD EXPENSES
USA 	(US\$ 4,243) = 3,526 €	(US\$ 2,199) = 1,827 €
Canada 	(CAN\$ 2,702) = 1,926 €	(CAN\$ 2,318) = 1,653 €
France 	1,764 €	1,999 €
Japan 	(212 122 ¥) = 1,557 €	(228 354 ¥) = 1,676 €
UK 	(£ 1,024) = 1,502 €	(£ 659) = 967 €
Germany 	1,424 €	991 €
Belgium 	1,328 €	1,455 €
Australia 	(2,052 AUD) = 1,292 €	(1,403 AUD) = 884 €
Italy 	1,258 €	1,202 €
Spain 	915 €	1,068 €
Hong Kong 	(HKD 7,477) = 806 €	(HKD 7,151) = 770 €

6. Are people homeowners?

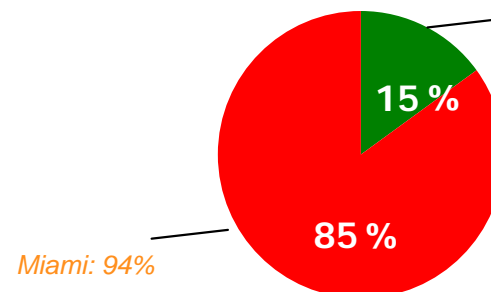
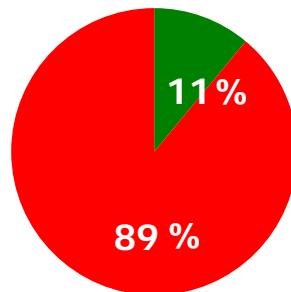
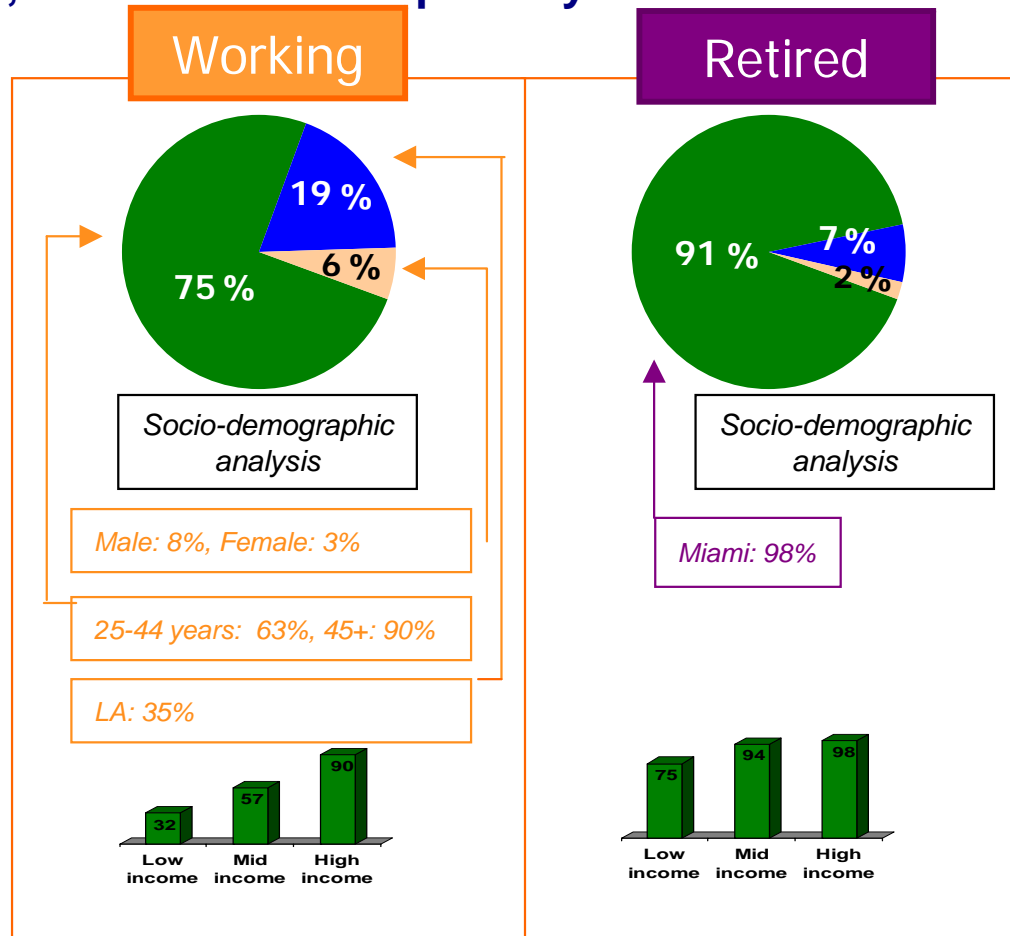
Most Americans are homeowners, and retirees are homeowners to an even greater extent than working respondents. Home ownership is tied directly to one's income bracket, and this holds especially true for the minority who own second homes.

Owner or renter?

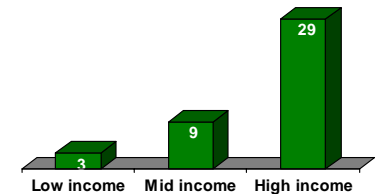
- Owner
- Renter
- Live at family, friends, parents, children's house

Ownership of a second house?

- Yes
- No



West: 23%, Detroit: 25%, LA: 25%



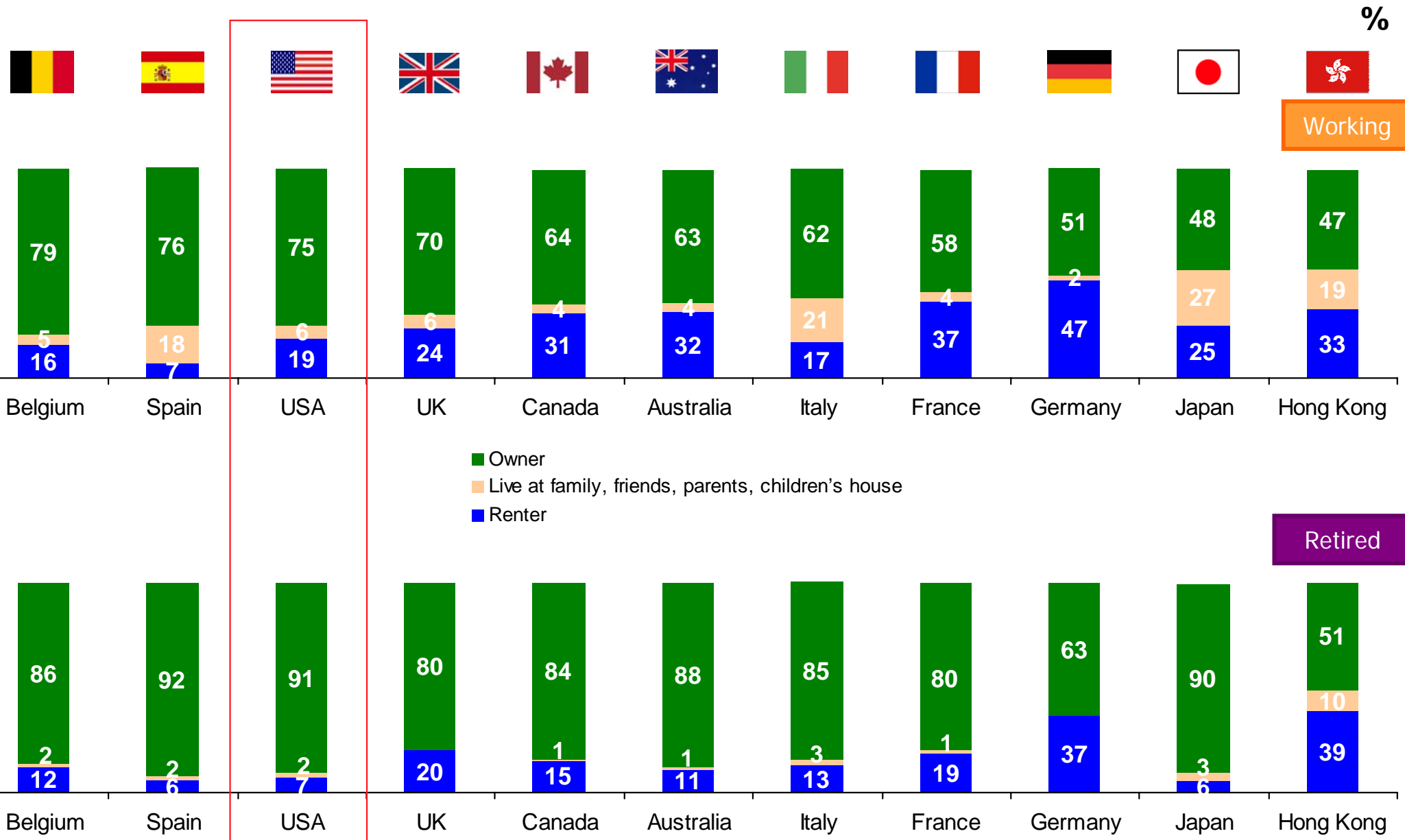
Base : n=435 Working, n=413 Retired

Q.D Retired: Do you ...?
Q.E Retired: Do you own a holiday home?



6. Are people home owners?

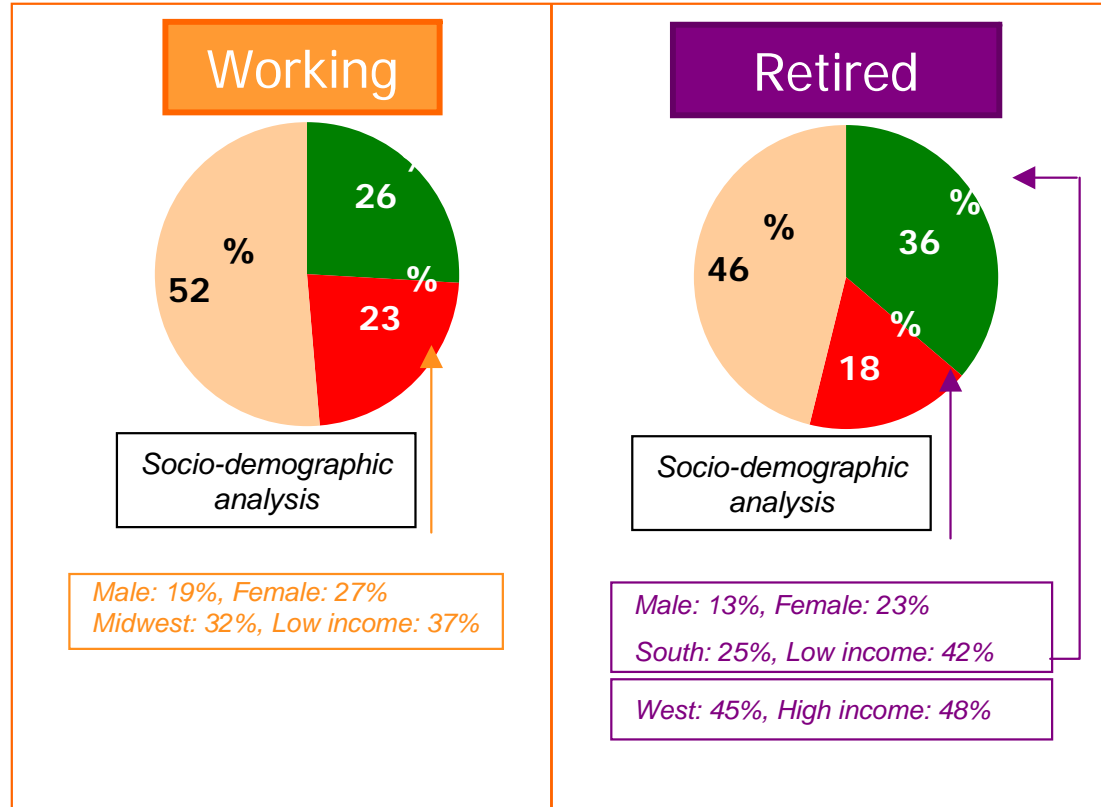
Home ownership is among the highest for American Retirees.



7. Does retirement mean improved or diminished quality of life?

Working people anticipate a stable quality of life, and even an improvement. Reality is more positive: about four out of 10 retirees have seen their quality of life improve since they retired, notably those living in the West and those with higher incomes. Quality of life and comfort of retirement income are correlated.

- Will improve / has improved
- Will be the same / has remained the same
- Will decrease / has decreased



Is quality of life linked to level of retirement income?

	Quality of life					
	Working			Retired		
	↖	=	↗	↖	=	↗
Sufficiency of the retirement income	71%	70%	27%	83%	75%	25%

Base : n=435 Working, n=413 Retired

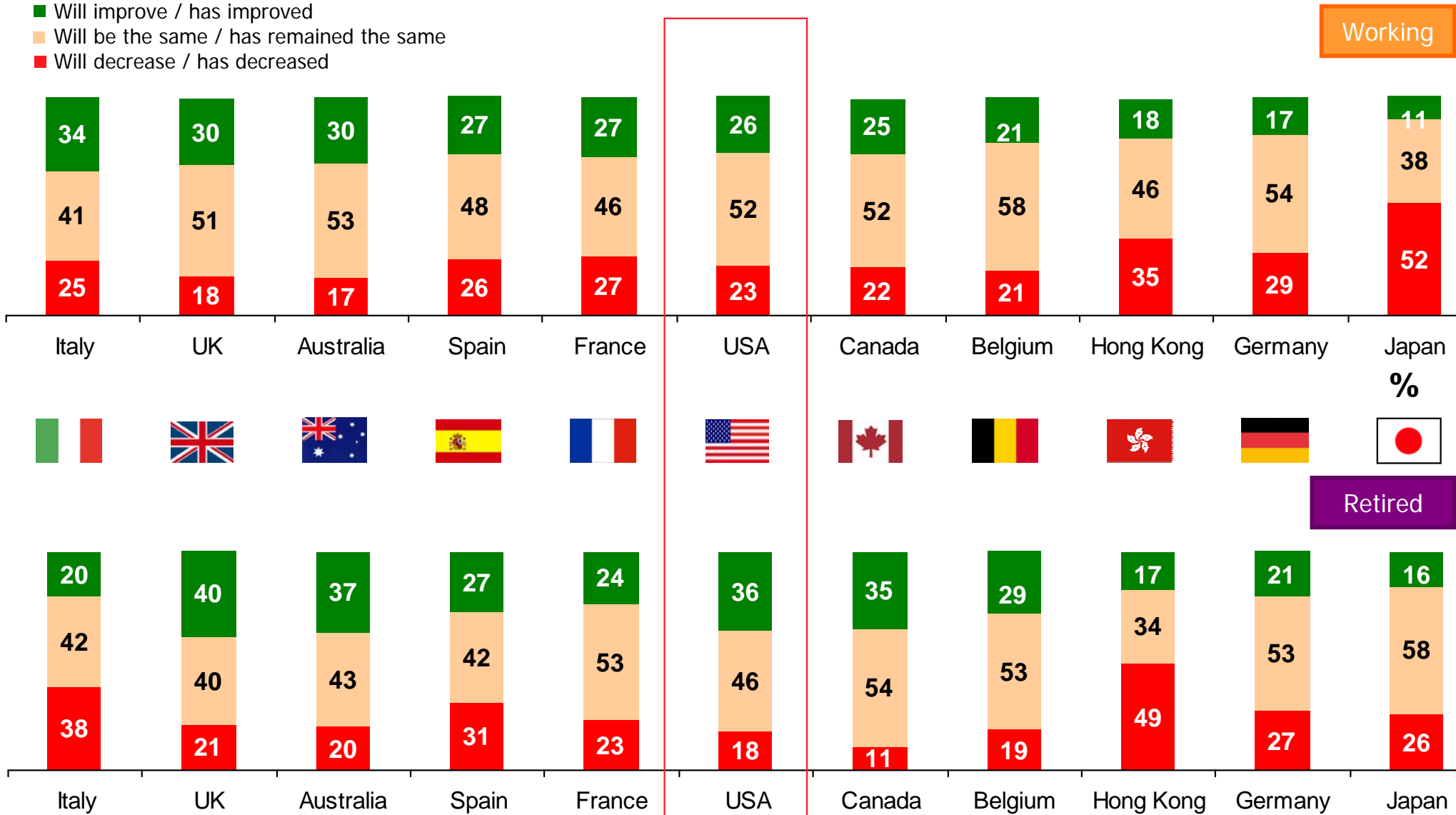
Q.25 Working: And do you think that the quality of your life will improve, remain the same or degrade after you retire? Retired : And do you think that the quality of your life has improved, remained the same or degraded since you retire?



7. Does retirement mean improved or diminished quality of life?

American working people are rather confident in their future quality of life once retired: this is clearly confirmed by the retirees' experience, which follows the Canadians' optimism.

- Will improve / has improved
- Will be the same / has remained the same
- Will decrease / has decreased

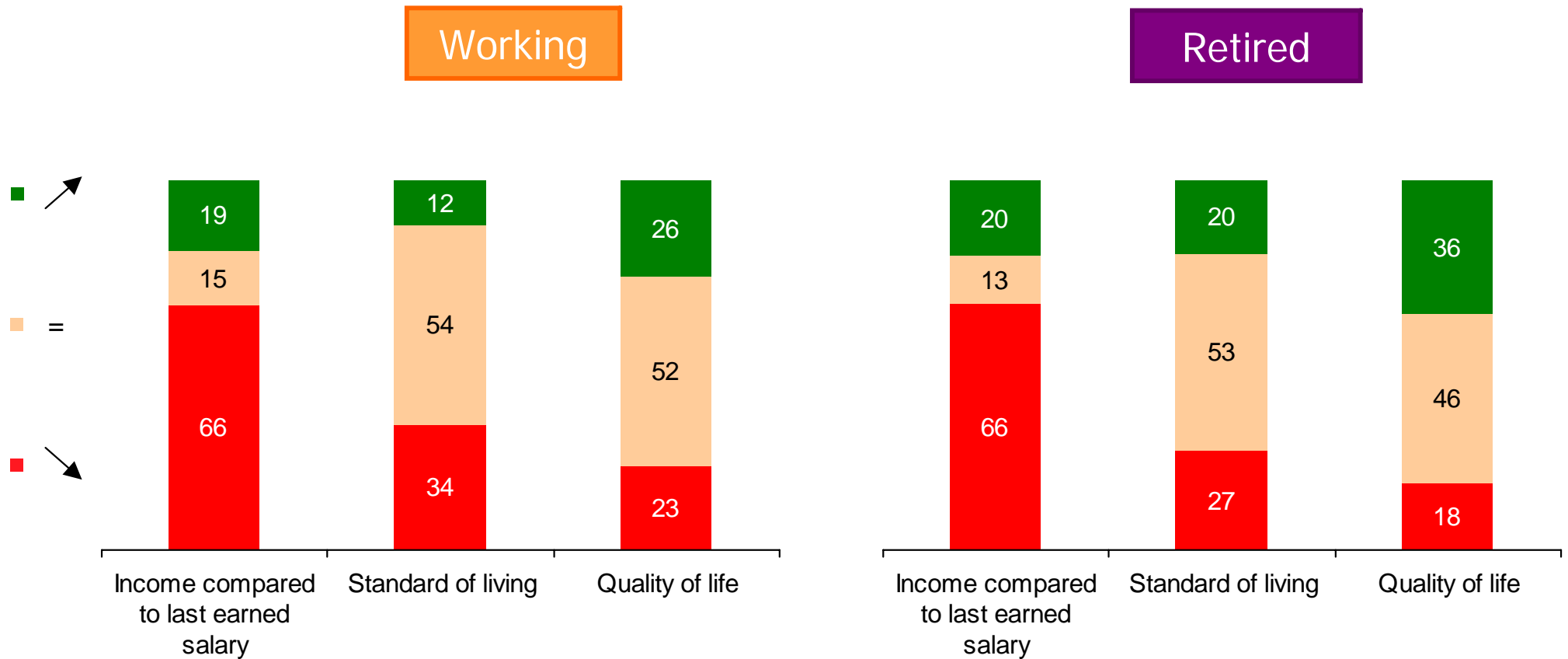


Working

Retired



7. Summary on qualitative and quantitative situation upon retirement. Retirees and working people are more optimistic regarding their quality of life during retirement than their standard of living.



8. At what age do people begin preparing for retirement?

The vast majority of working people have begun to prepare for retirement, more than in 2004. They start to prepare for it very early (30 years old), earlier than their elders did.

The working who have already begun preparing for retirement

Beginning age of retirement preparation

Socio-demographic analysis

Male: 29 years, Female: 32 years,
25-44 years: 26, 45 years and+: 35 years
Northeast: 34 years, Detroit: 34 years,
NY: 33 years

30 years

Base : n=327 Working who have begun preparing for retirement

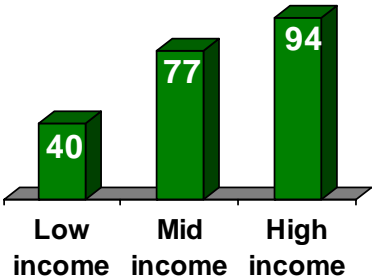
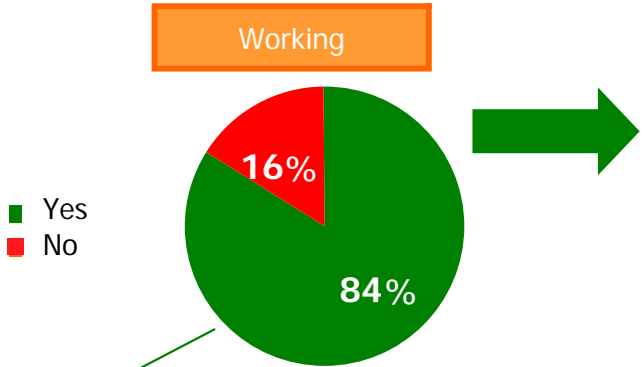
36 years

Low income: 40 years

Age working people think they will start preparing

44 years

Base : n=64 Working who did not prepare for retirement



Working
Retired

Q.29 Working: At what age did you begin to prepare for your retirement? Retired: At what age did you begin to prepare for your retirement?
Q.28 Working: Have you begun to prepare for your retirement?
Q.30 Working: At what age do you think you will start preparing for your retirement?

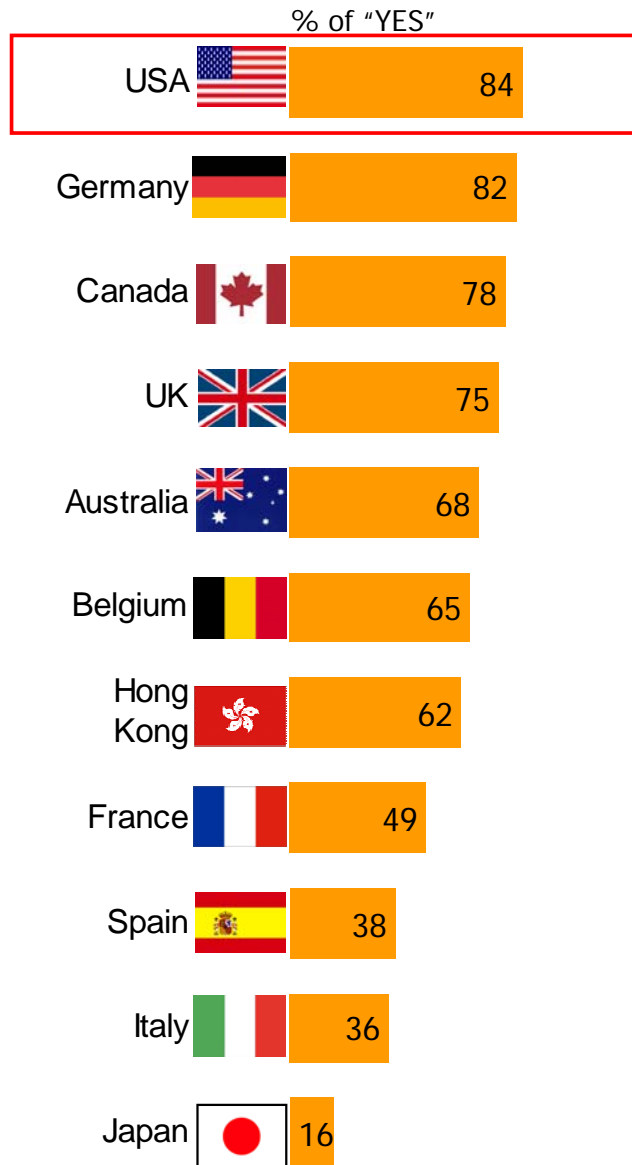
Q:28, Q29 not asked to housewives in 2005



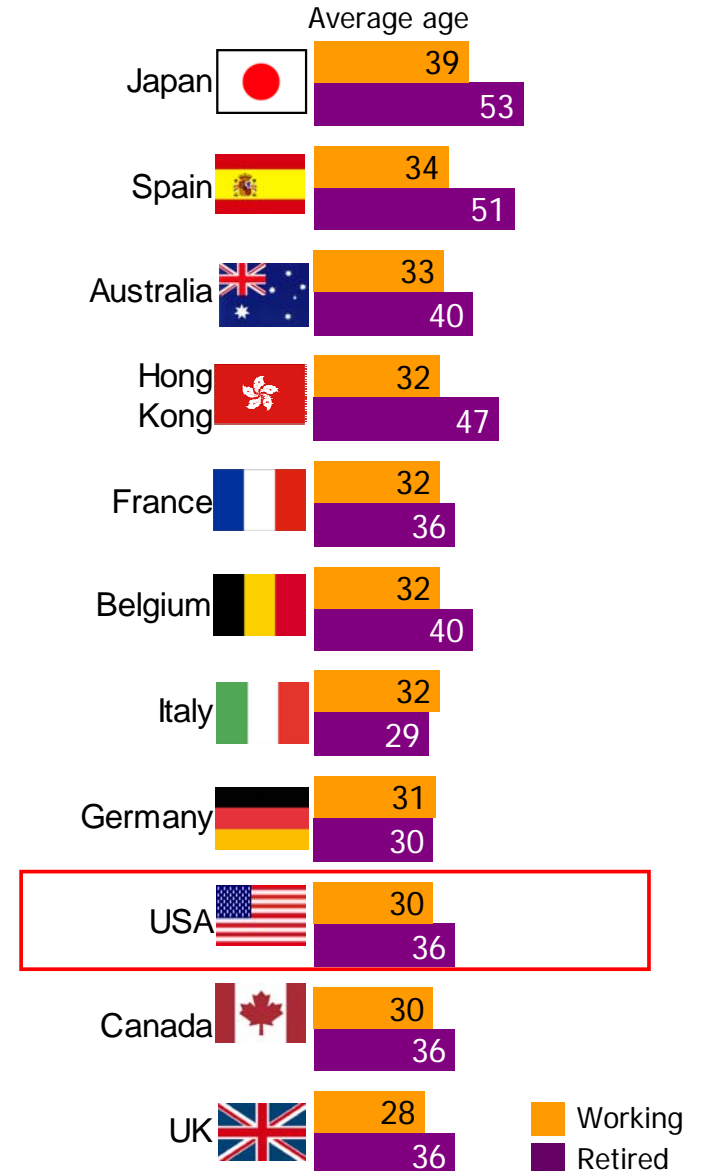
8. At what age do people begin preparing for retirement?

Being the most involved in their retirement planning, Americans prepare for it earlier than almost everyone else.

% having prepared for their retirement



Beginning age of retirement preparation

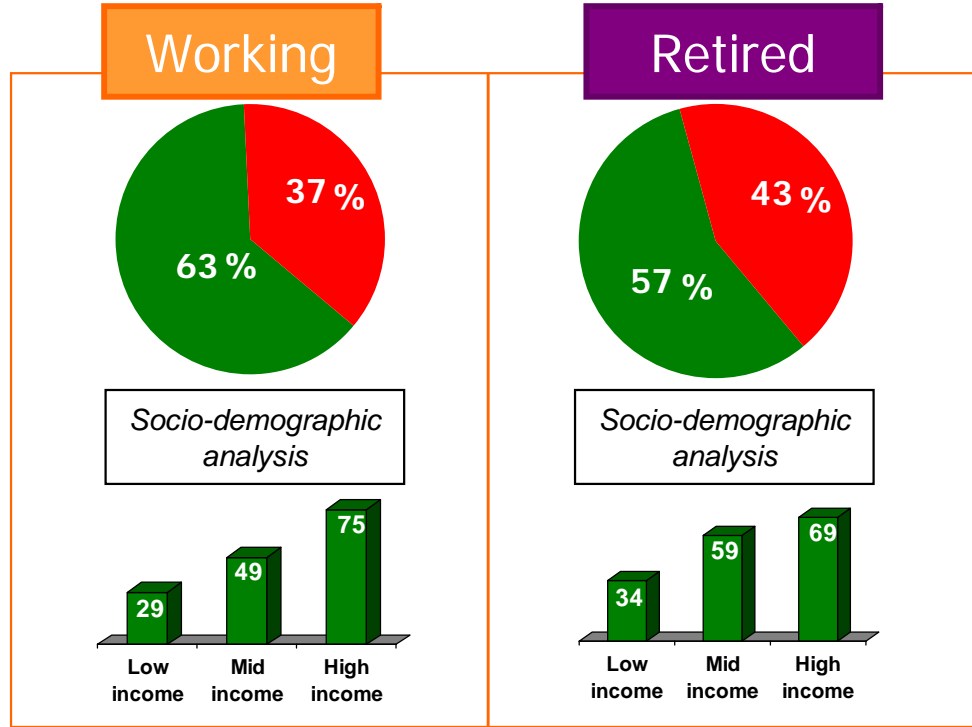


9. Do / Did people seek information or financial advice for retirement planning? Do / Did they find what they are looking for?

Americans are generally active when engaging in retirement planning. Seeking information is tied to income level, and a vast majority of those who seek information for retirement planning find what they are looking for.

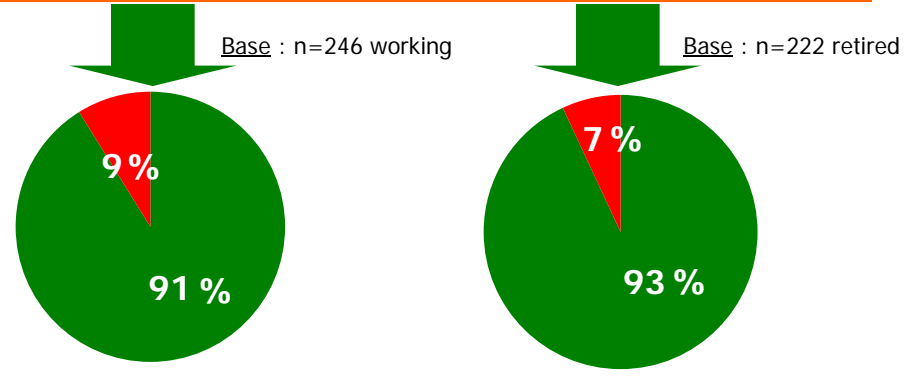
Those who seek information or advice

■ Yes
■ No



Those who found such information/advice

■ Yes
■ No



Question non asked to housewives in 2005

Base : n=391 Working, n=391 Retired

Q.34 Working: Have you sought financial information or advice about your future retirement?
Retired: Did you seek financial information or advice about retirement?

Q.35 Working: Did you find the information or advice you were seeking? Retired: Had you found the information or advice you were seeking?

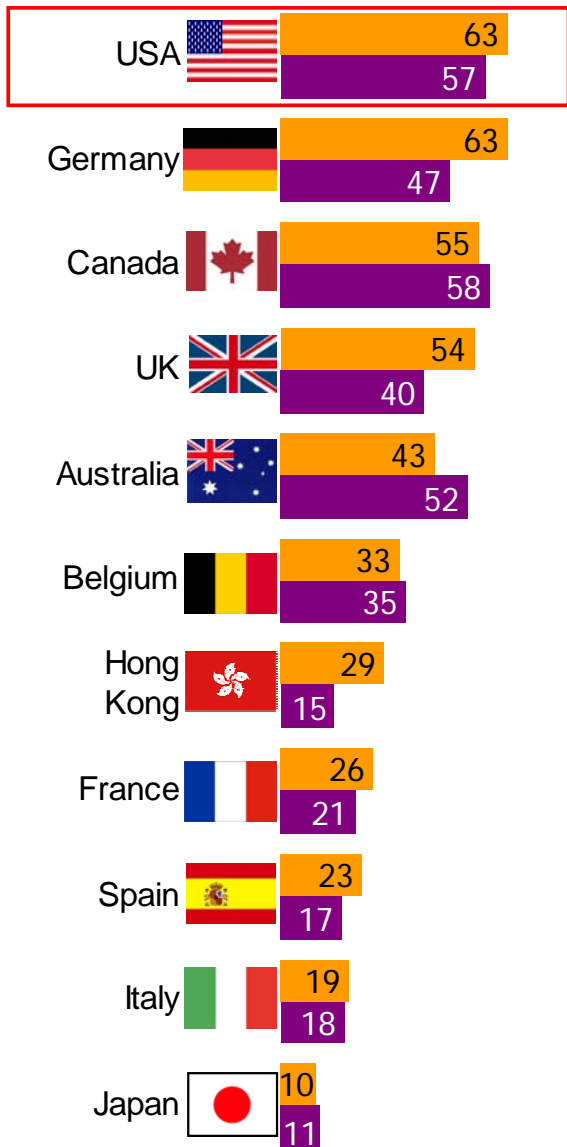


9. Do / Did people seek information or financial advice for retirement planning? Do / Did they find what they are looking for?

Americans (both retired and working) are clearly “information-hungry” about retirement planning, and effective in their search.

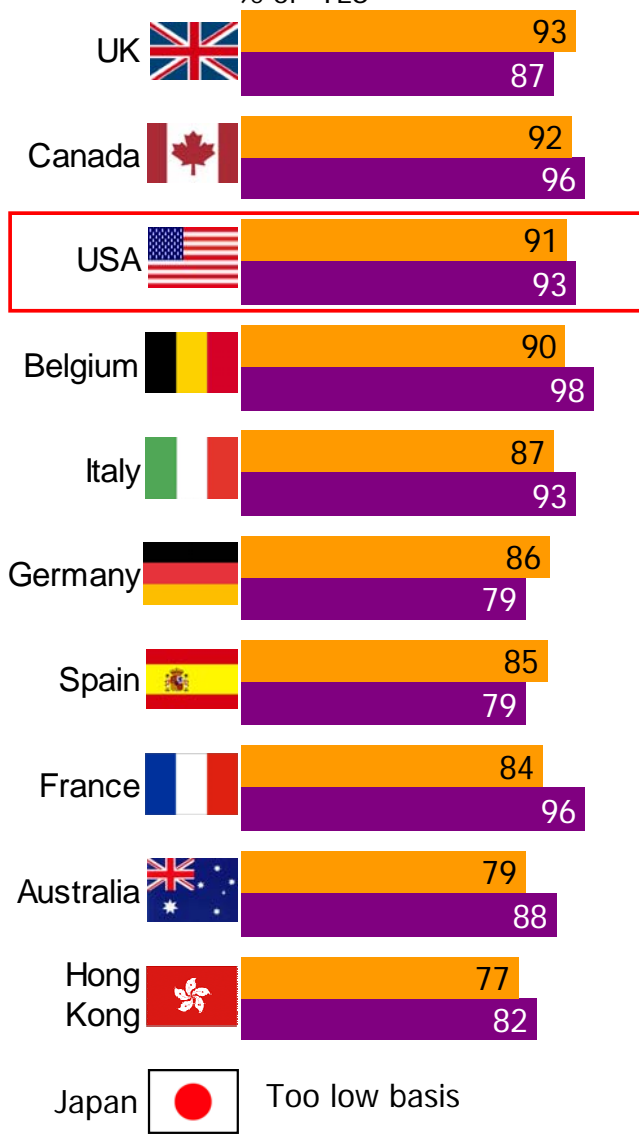
Those who seek information or advice

% of “YES”



Those who found information or advice

% of “YES”



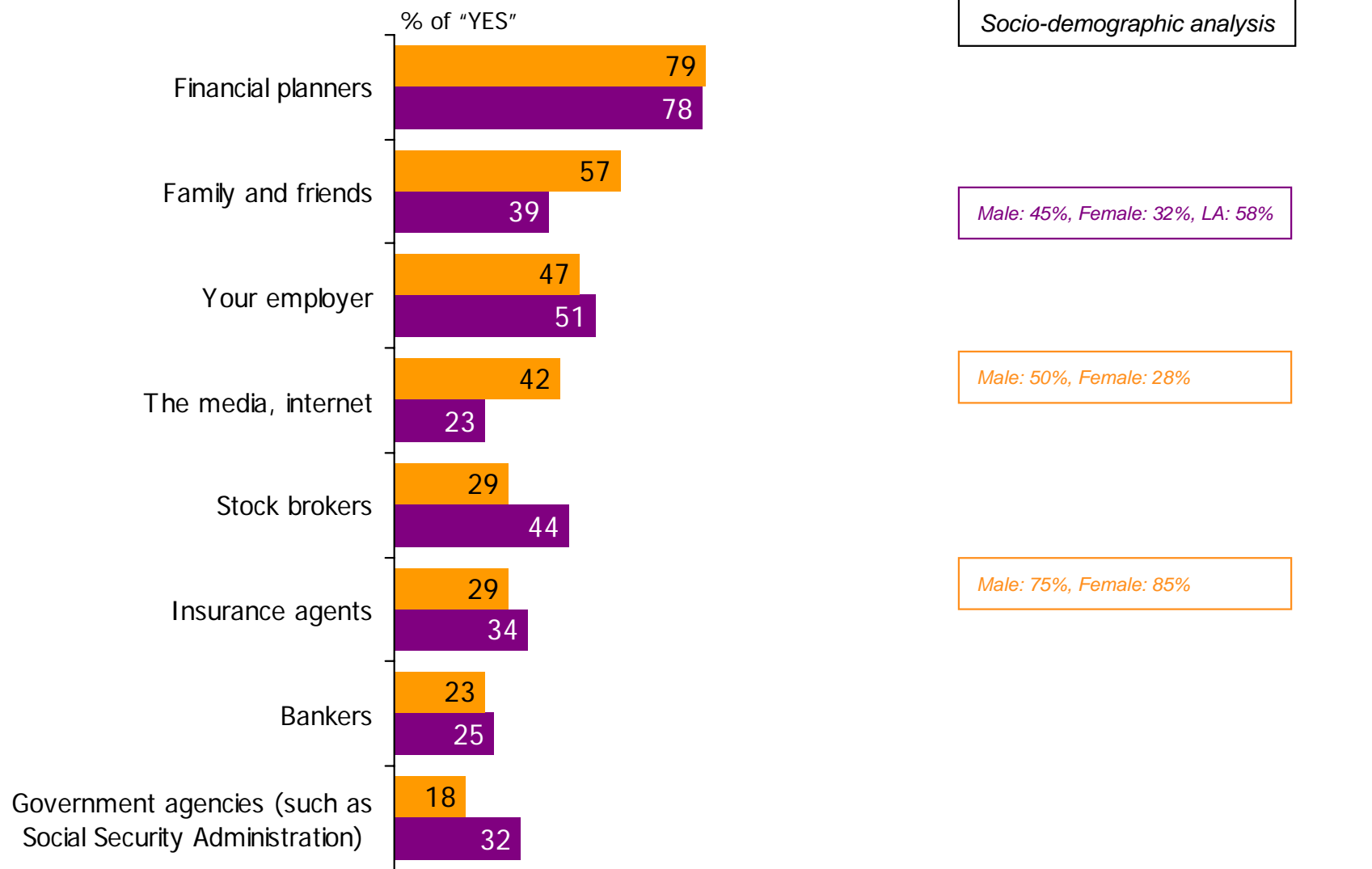
Base : seek for information
 AXA Equitable Retirement Scope USA - INTERNATIONAL 66

Working
 Retired



10. Whom do / did people consult for retirement planning?

Americans, notably retirees, diversify their sources of information for making retirement preparations, but financial planners are consulted most. One's inner circle, i.e. family and friends, also plays a key role.



Question non asked to housewives in 2005

Base : n=246 Working, 222 Retired who sought information / financial advice for retirement planning

Working
Retired

Q.36 Working and Retired: Where did you seek financial information or advice about your future retirement? AIDED QUESTION



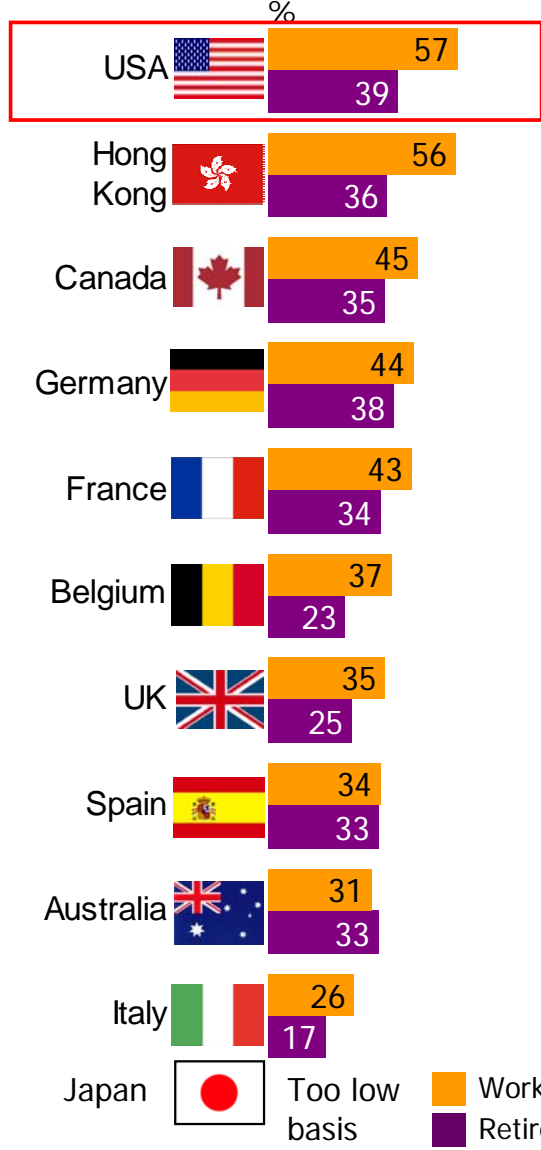
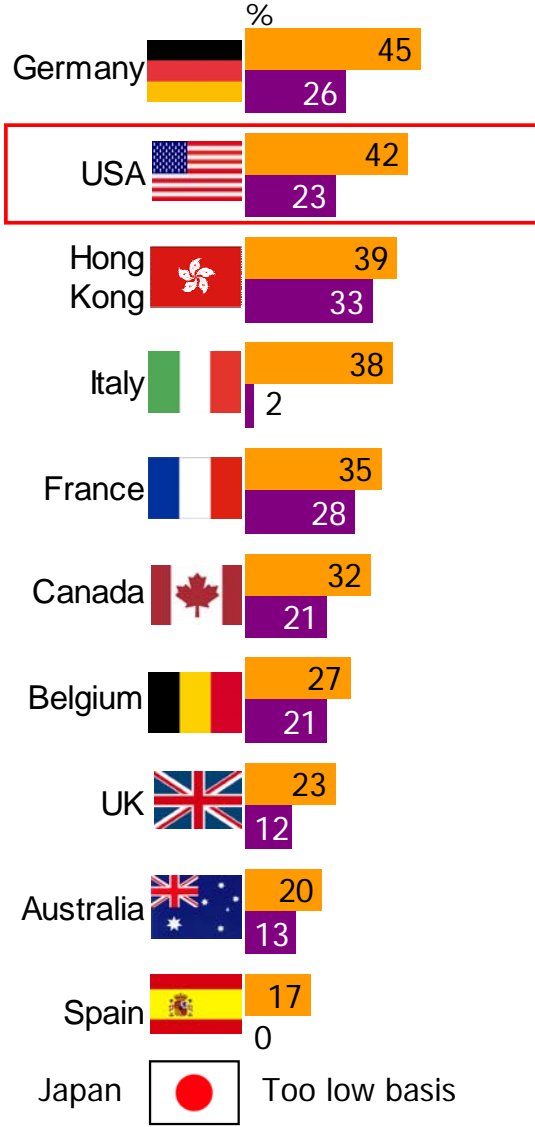
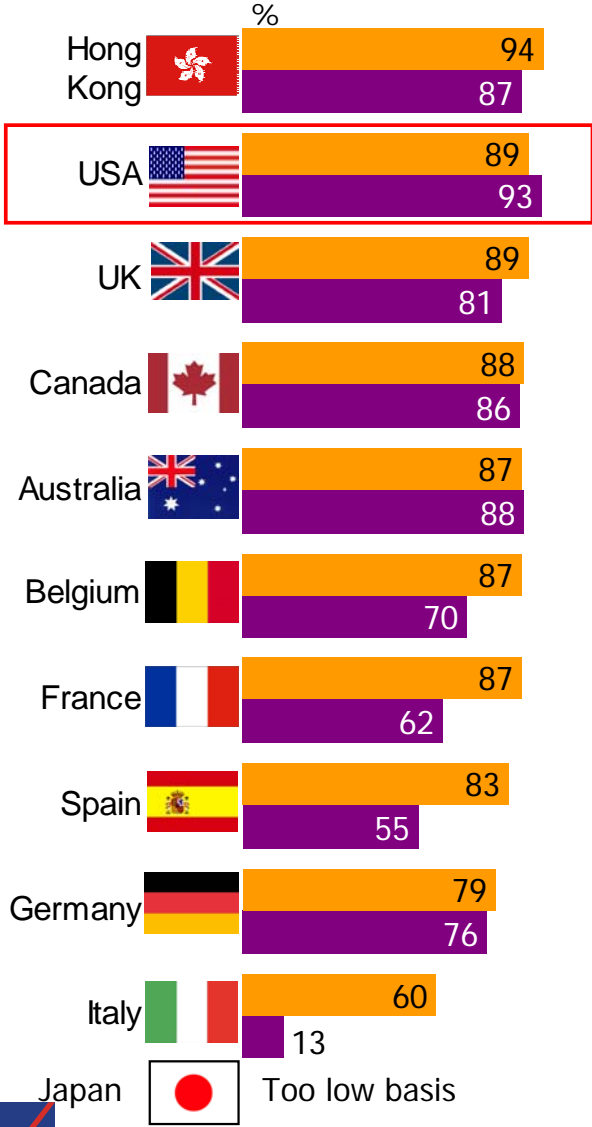
10. Whom do / did people consult for retirement planning?

Americans are the first to rely on their inner circle of family and friends (more than mass media), but they all resort to more traditional financial institutions ...

Private sources such as insurance companies, banks or financial brokers

The media, internet

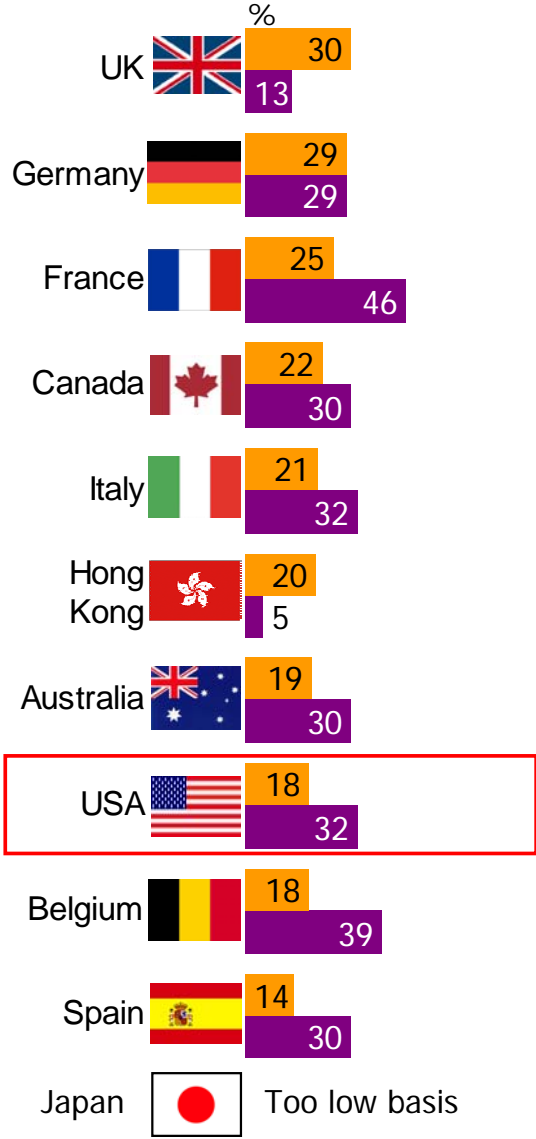
Family and friends



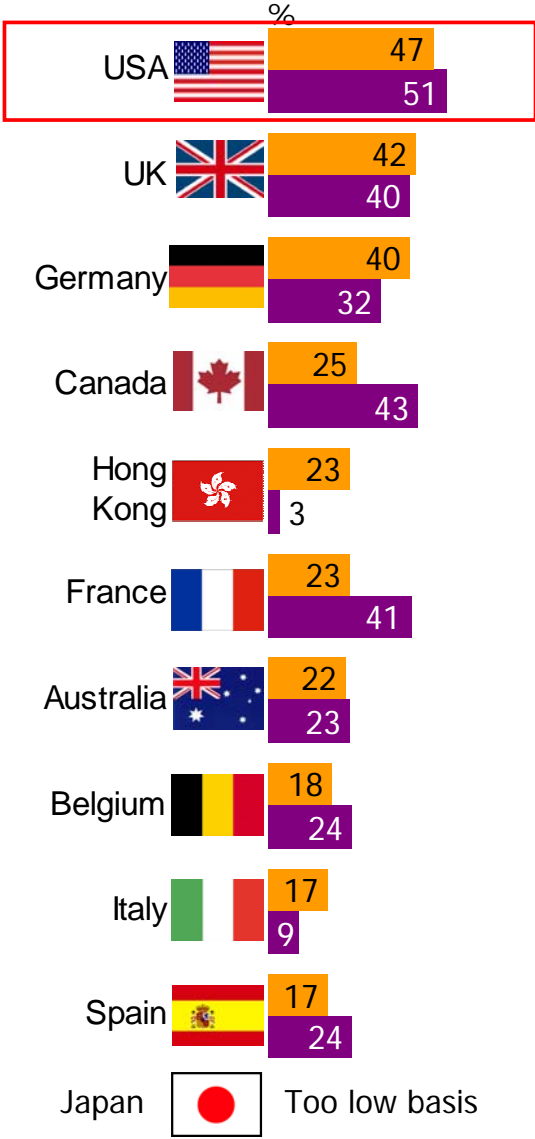
10. Whom do / did people consult for retirement planning?

... and their employers, while they pay relatively little attention to Government sources.

Government or official sources



Your employer



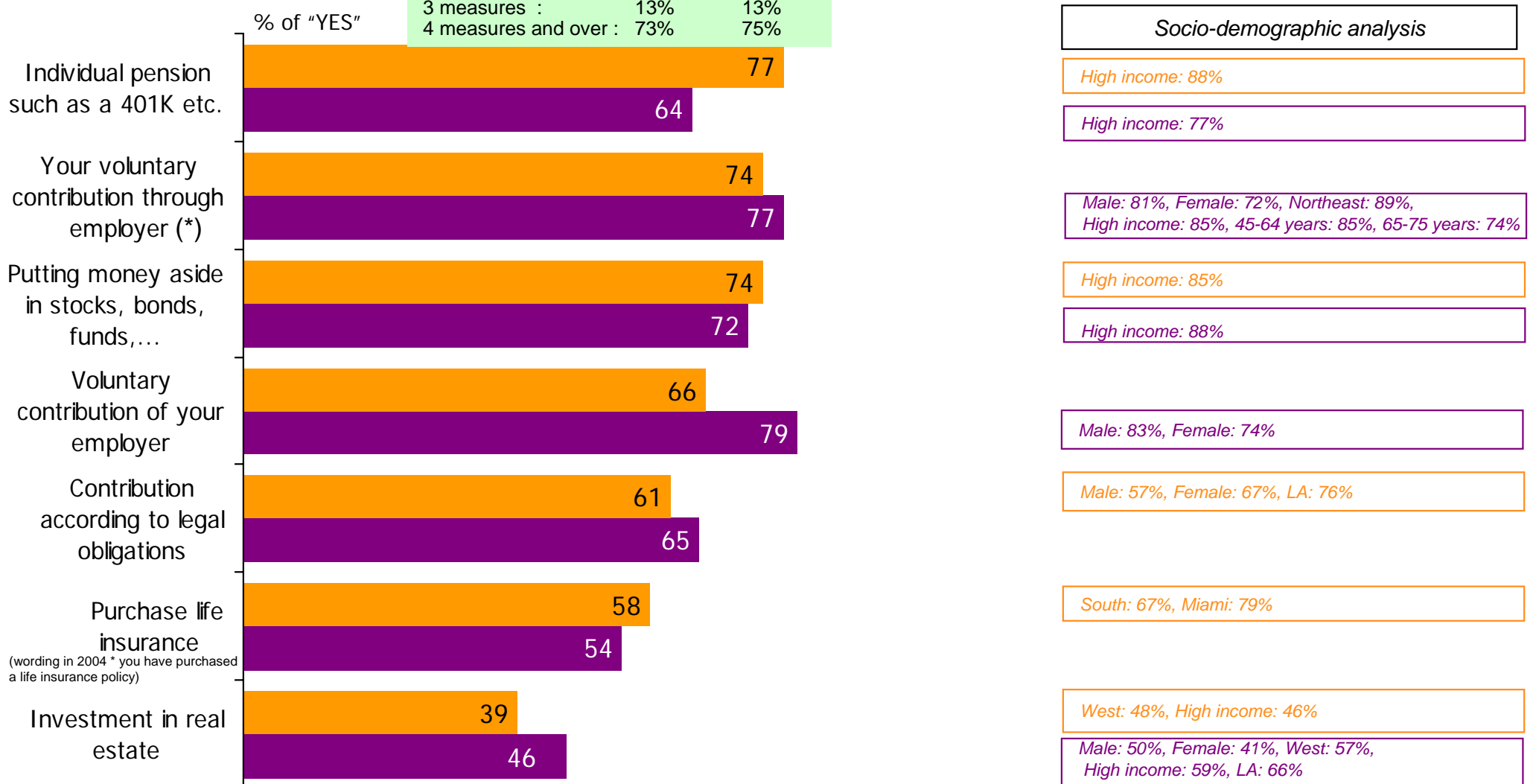
Working
Retired



11. What do/did people do to secure their retirement income?

Workers and retirees – and particularly men and people with higher incomes – utilize multiple forms of retirement investments. Employer contributions and investment in real estate are more utilized by retirees than the workers.

	Working	Retired
1 measure :	3%	3%
2 measures :	8%	7%
3 measures :	13%	13%
4 measures and over :	73%	75%



Question non asked to housewives in 2005
 Base : n=391 Working, n=391 Retired

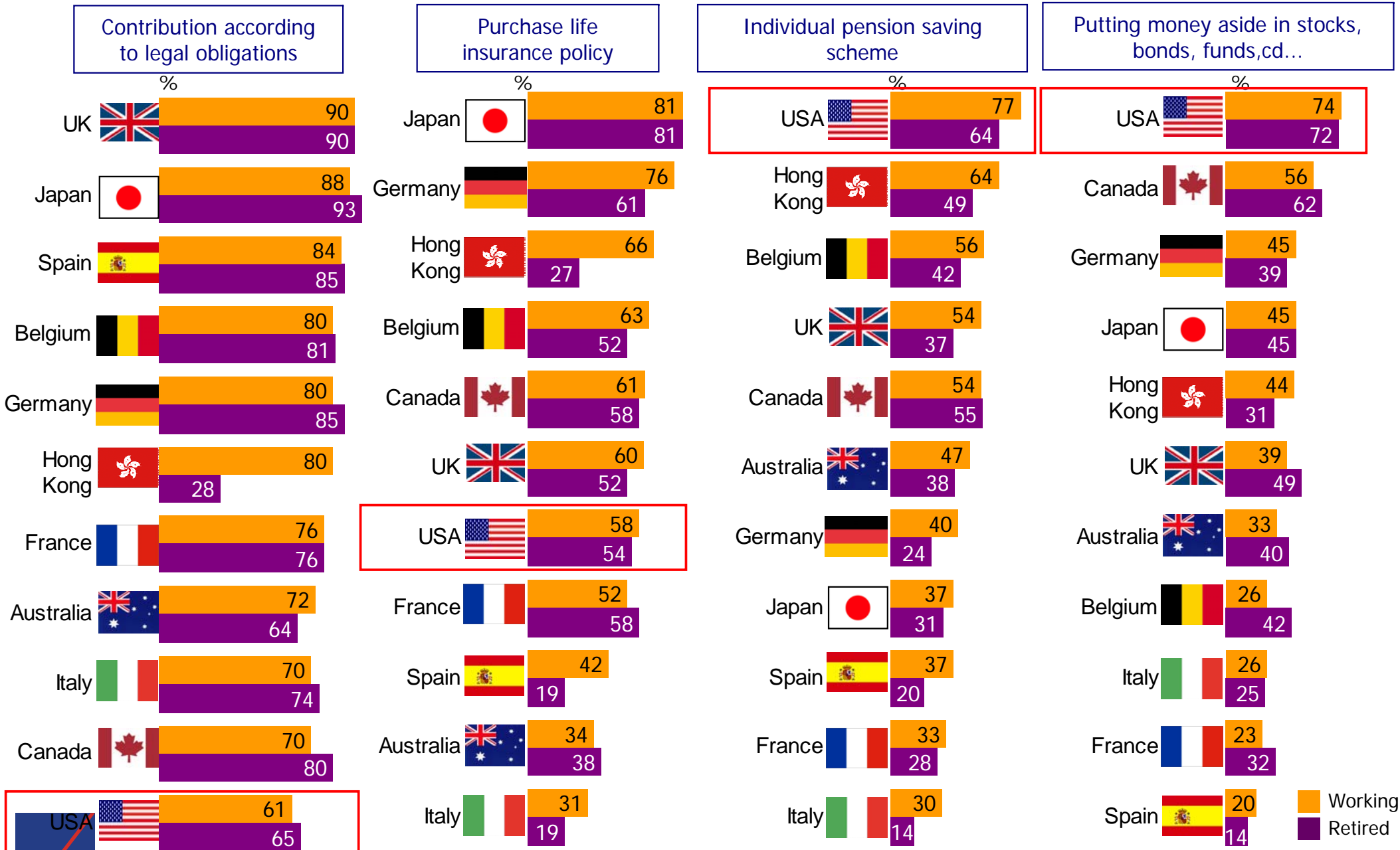


Working
Retired

Q.31 Working: From a financial point of view, what do you do to secure your retirement income? Retired: From a financial point of view, what had you done to secure your retirement income? AIDED QUESTION

11. How do people secure their retirement income?

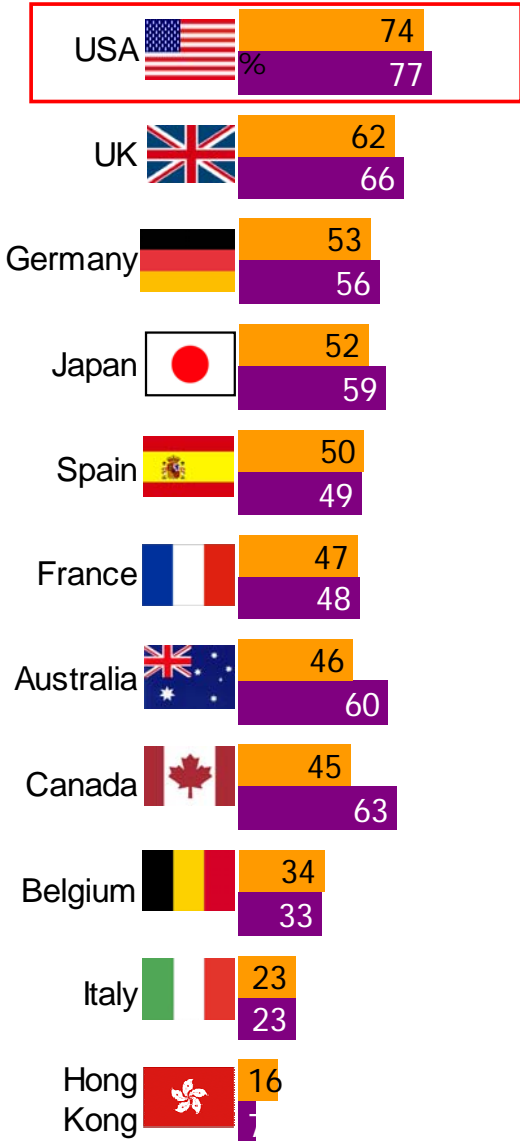
Quite expectedly, Americans prefer to choose their own savings/investing vehicles rather than being obligated to do so by law.



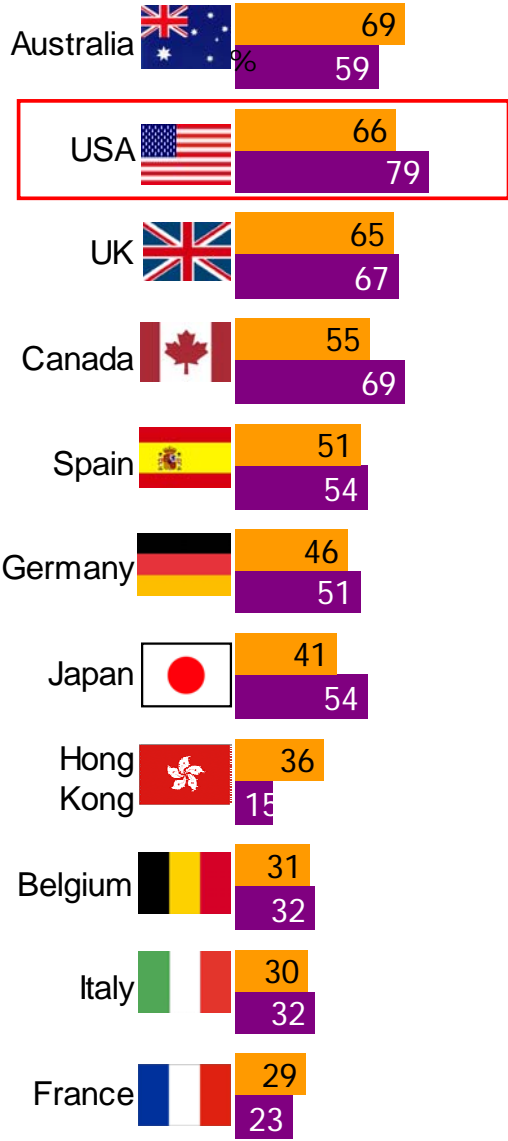
11. How do people secure their retirement income?

More than other people, Americans are interested in a variety of investments.

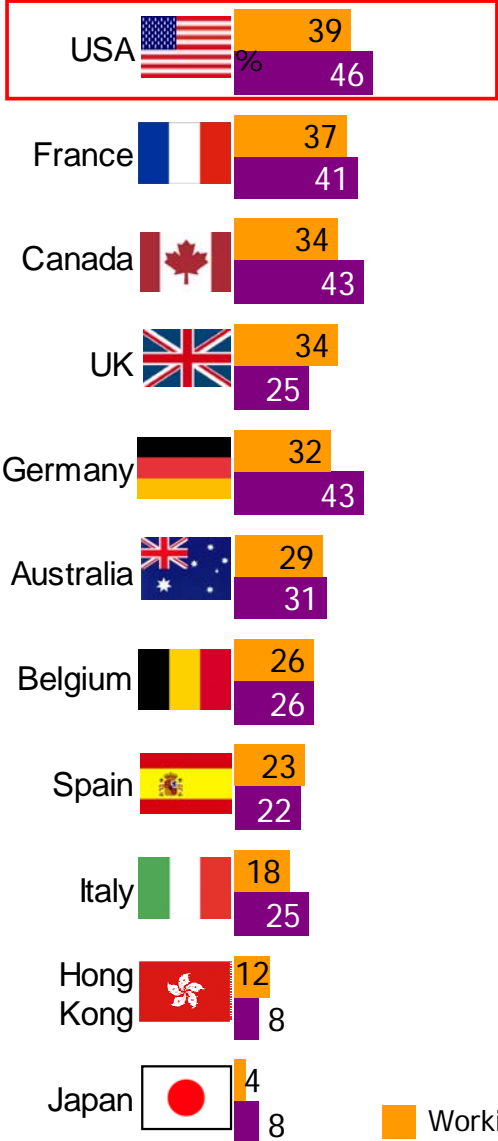
Voluntary contribution through employer



Voluntary contribution of your employer



Investment in real estate



Working Retired



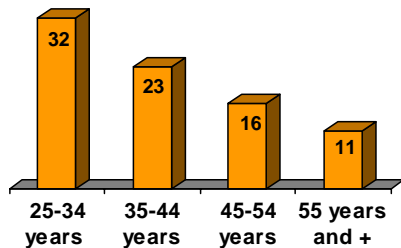
12. What types of retirement products do people prefer?

Americans generally prefer not taking risks. Among working people, taking risks and age are strongly correlated.

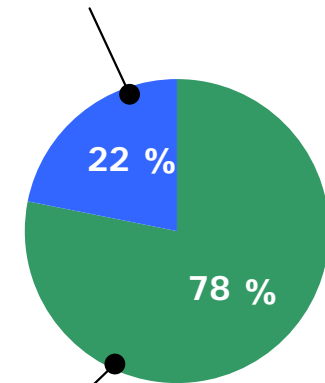
Working

Retired

Male: 27%, Female: 14%



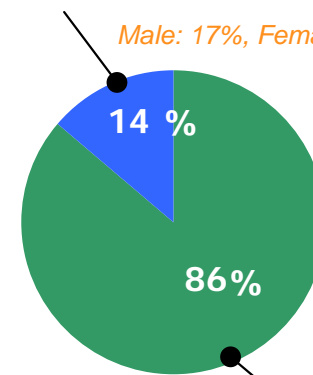
Product which offers a high return on investment with high financial risk



Product which guarantees a modest return on investment with no financial risk

Product which offers a high return on investment with high financial risk

Male: 17%, Female: 11%



Product which guarantees a modest return on investment with no financial risk

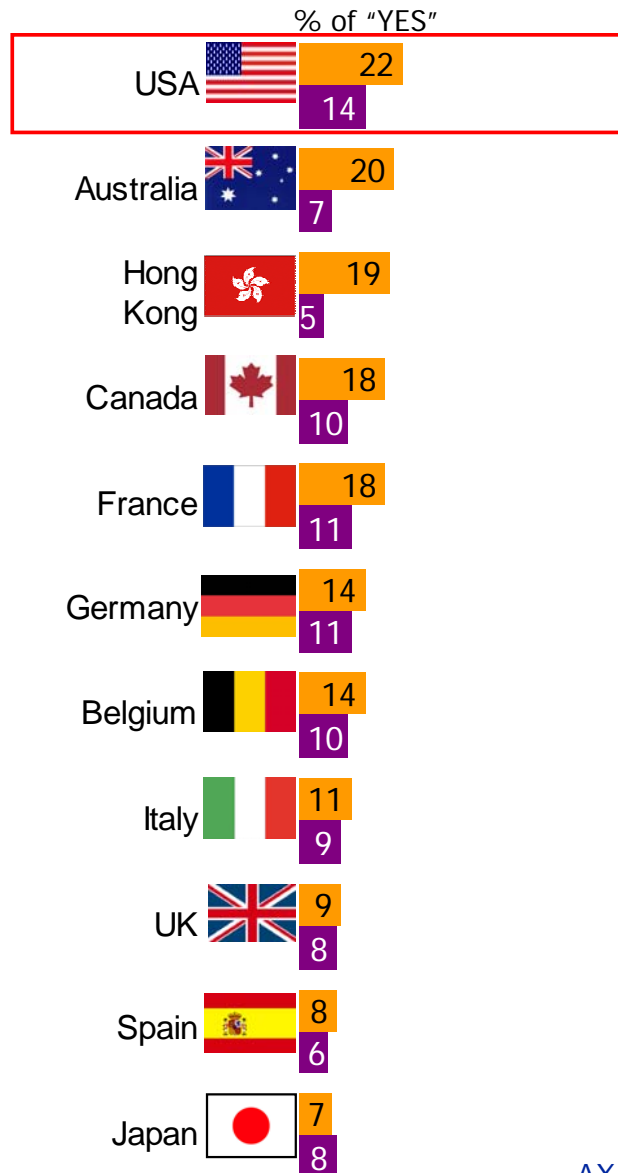
Base : n=435 working, n=413 retired



12. What types of retirement products do people prefer?

Compared to those in other countries, Americans are more likely to take financial risks.

Product with a higher return BUT higher risk



Working
Retired



13. How much do people save for retirement?

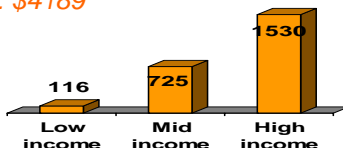
Workers save a high amount for retirement. Those with higher incomes save even more.

Average monthly amount saved for retirement

Working

\$1,253

NY: \$4189



Median amount

\$463

No answer/Do not remember

7%

Question not asked to housewives in 2005

Base : n=327 working having prepared retirement












In light of the amount of "no answer" responses, results from the retired will not be publicized



Q.32 Working : How much do you save per month for your retirement? Please, consider all your retirement savings Retired: How much did you save per month for your retirement? Please consider all your retirement savings [SPONTANEOUS QUESTION]

13. How much do people save for retirement? Americans are great savers compared to other countries.

Working

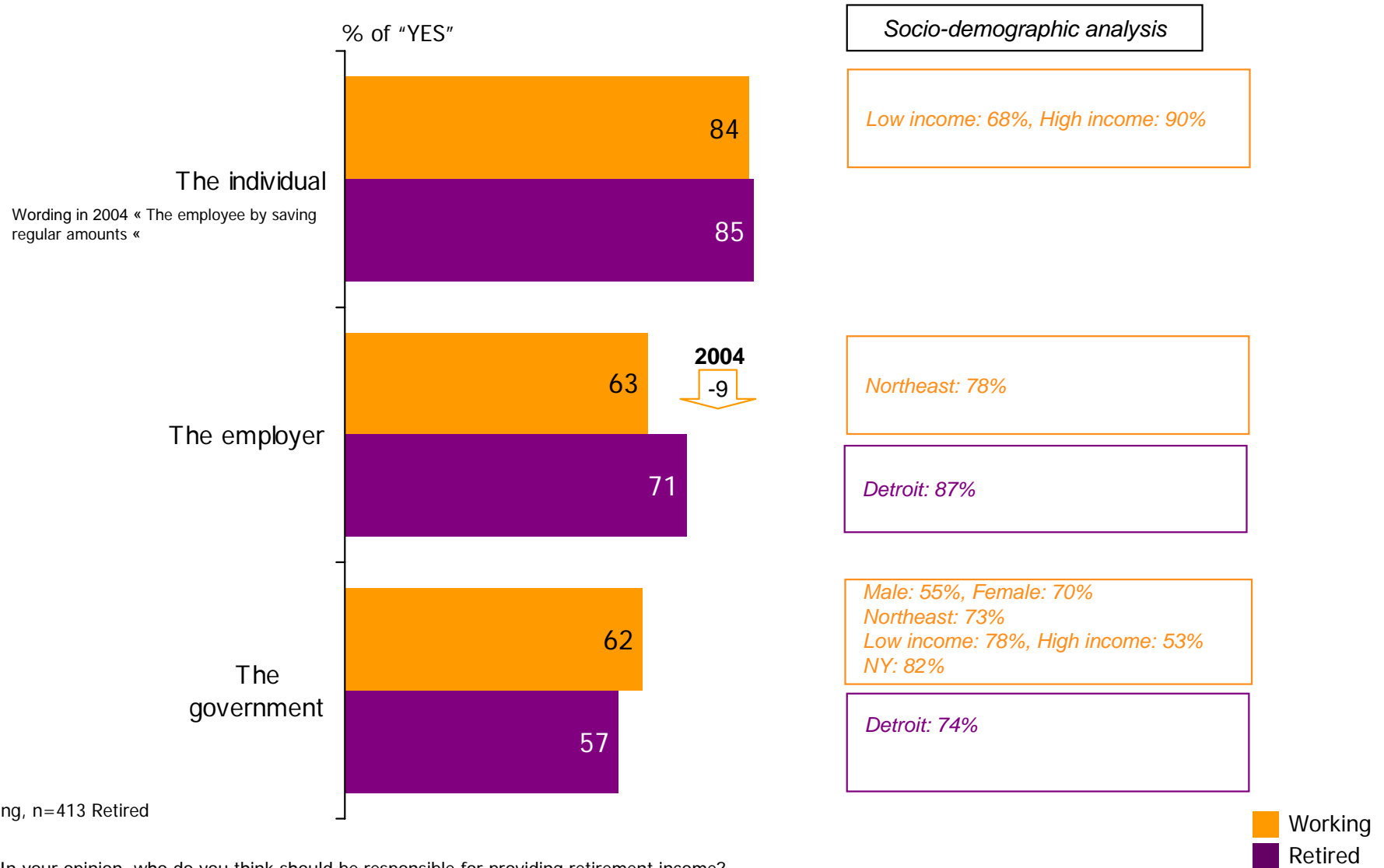
USA		(US\$ 1,253) = 1,040 €
Hong Kong		(HKD 4,525) = 485 €
Canada		(CAN\$ 586) = 418 €
Japan		(56 818 ¥) = 407 €
Australia		(AU\$ 594) = 376 €
France		371 €
UK		(£ 249) = 365 €
Belgium		266 €
Germany		227 €
Italy		210 €
Spain		171 €

(* Warning : this table does not consider the different standard of living between countries and high rates of No answer

Base: has begun preparing for retirement

14. Who should be responsible for providing retirement income?

Generally, respondents believe the individual should take on this responsibility, with the exception of certain urban areas where the responsibility of employers and the Government is held in greater esteem. Employer responsibility is emphasized less than last year.



Base : n=435 Working, n=413 Retired



Q.26 In your opinion, who do you think should be responsible for providing retirement income?

INT.: Read out. One answer per line.

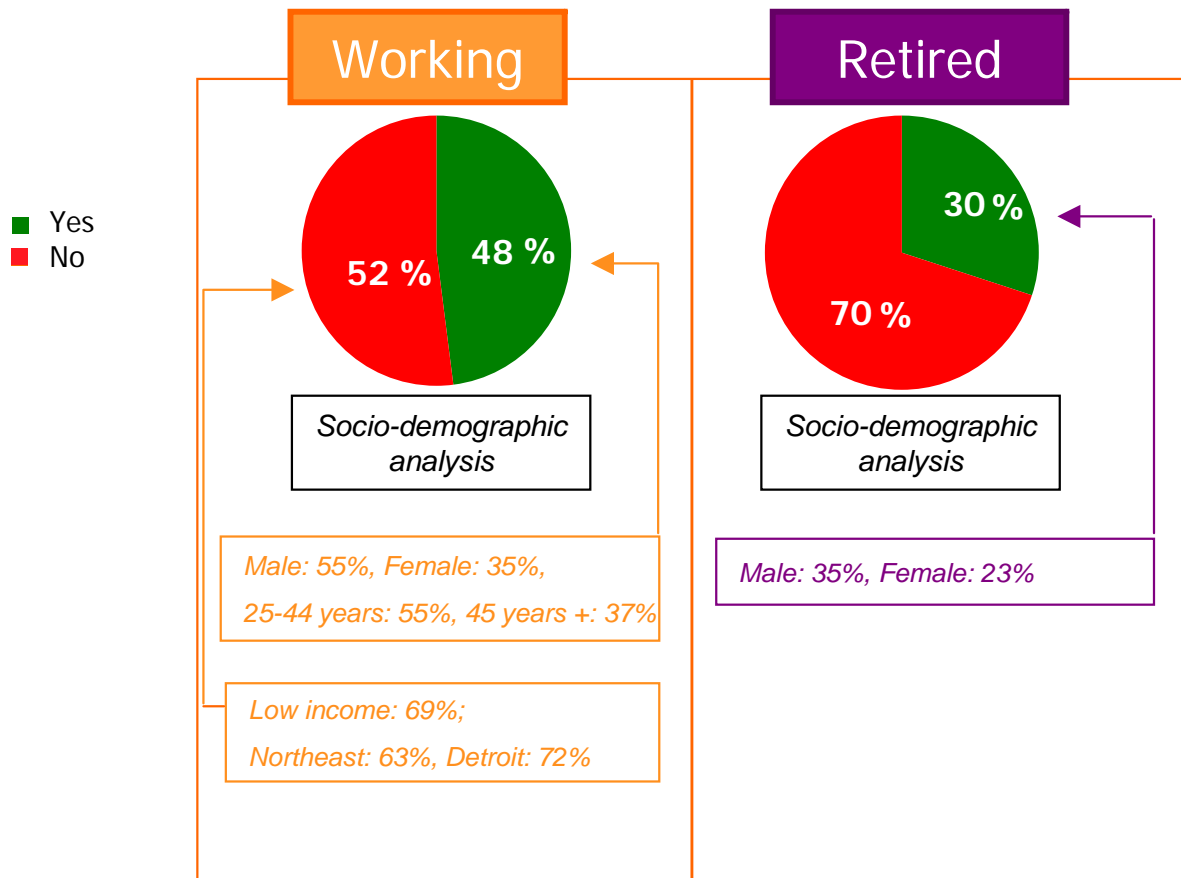
14. Who should be responsible for providing retirement income?

Americans tend to rely more on their own actions and their employer's contributions.



15. Do people prefer to be completely responsible for financing their own retirement (i.e. no mandatory participation whatsoever)?

Working people are split on the issue of individual responsibility for retirement planning, and retired people are mostly not in favor of such individual responsibility.



Question not asked to housewives in 2005

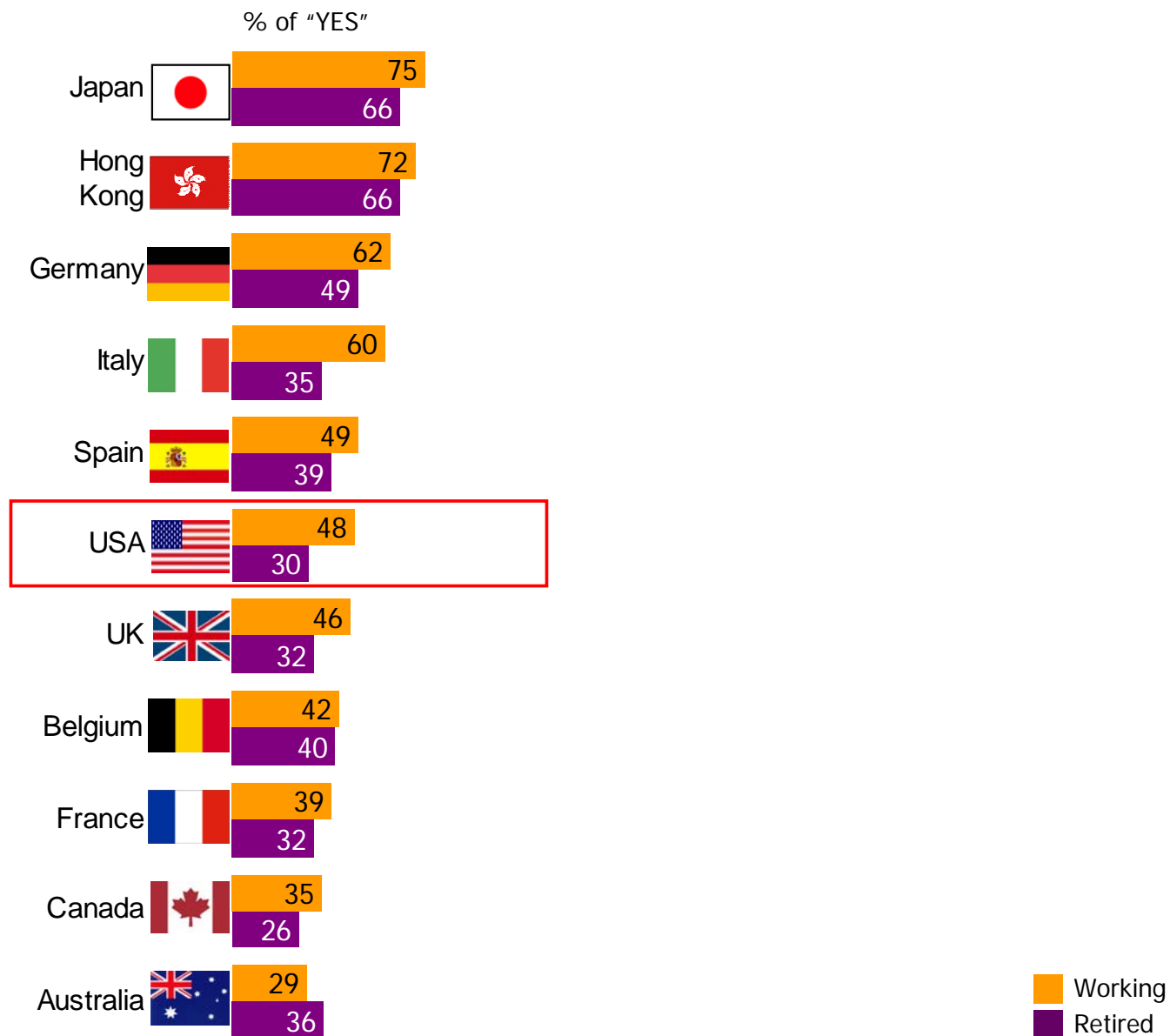
Base : n=391 Working, n=391 Retired

Q.27 Working: Personally, would you prefer having full responsibility for financing your own retirement with no mandatory payments to Social Security? Retired : Personally, would you have preferred having full responsibility for financing your own retirement with no mandatory payments to Social Security?



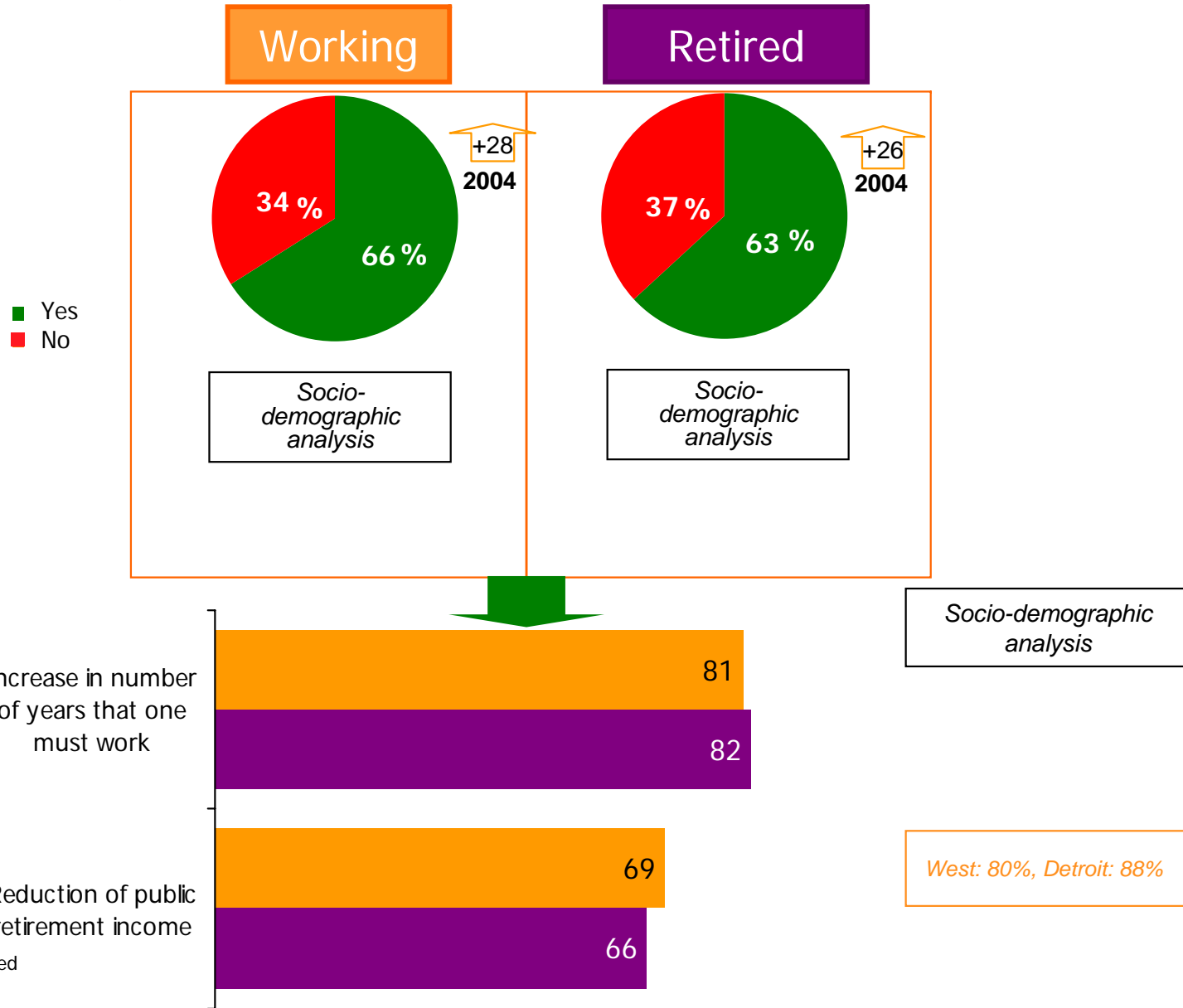
15. Do people prefer to be completely responsible for financing their own retirement (i.e. no mandatory participation whatsoever)?

In line with their financial prudence, Americans are not ready to individually support their own retirement.



16. Do people expect retirement reform in the next 10 years?

Probably related to current debates on Social Security, a majority of Americans (even more than in 2004) expect retirement reform. Most anticipate a rise in the eligible age for Social Security benefits.



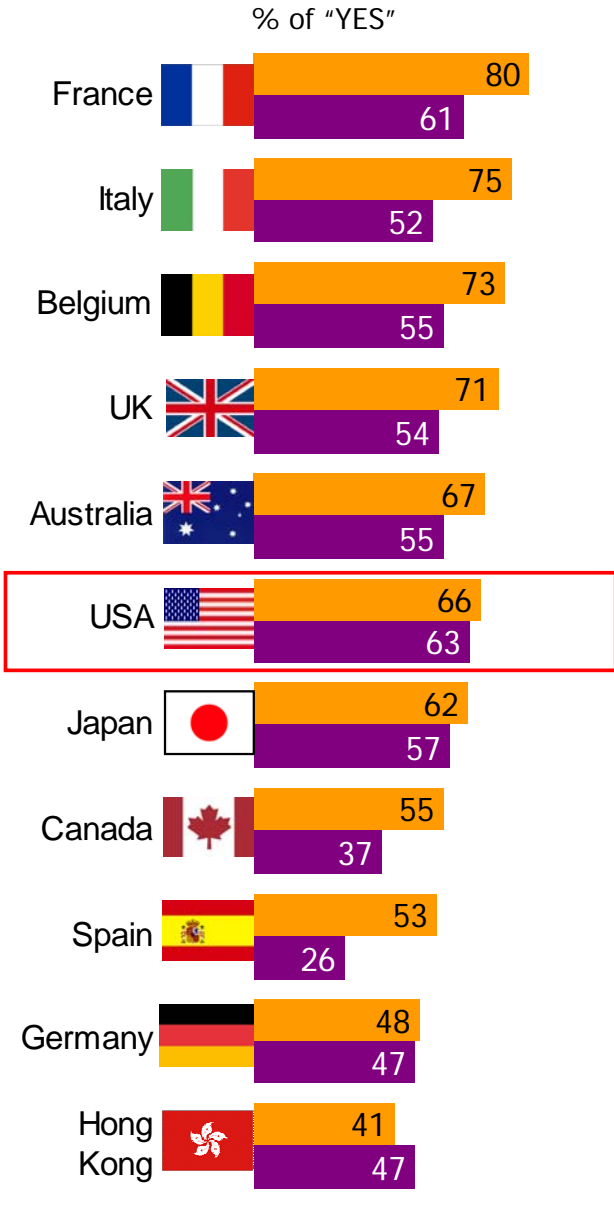
Base : n=435 Working, n=413 Retired



Q.38 Do you expect a major retirement reform in the next 10 years?
 Q.39 Will the reform result in...?

16. Do people expect retirement reform in the next 10 years?

Retired Americans believe more than other retirees that retirement reform is coming.



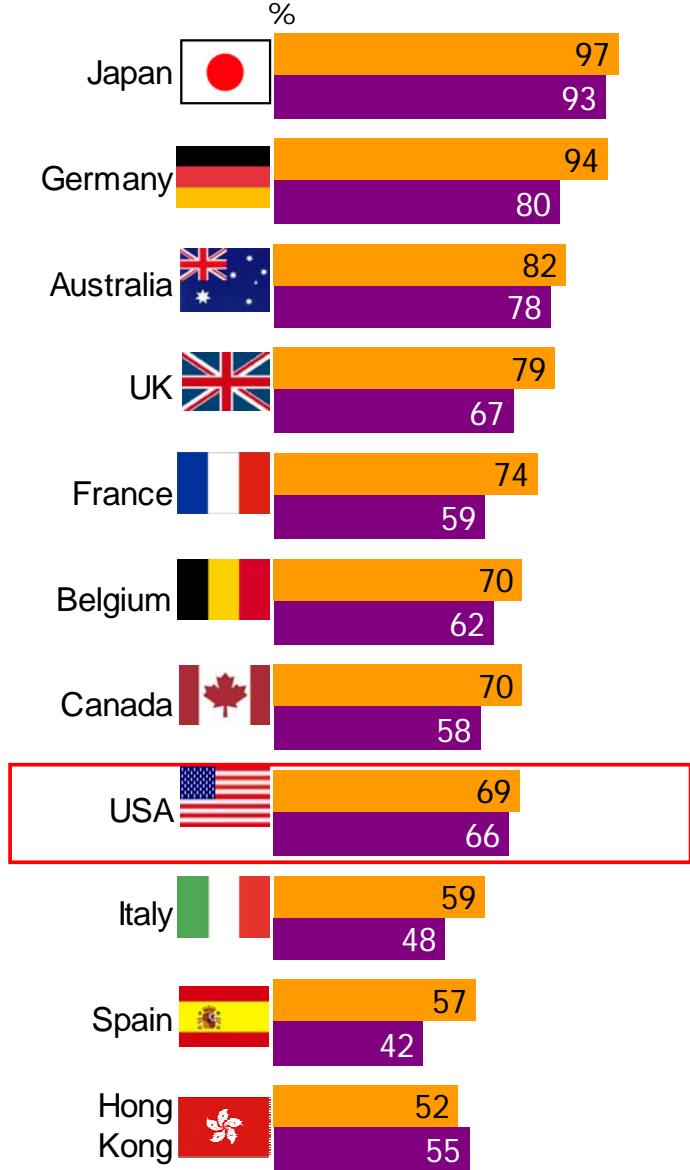
Working
Retired



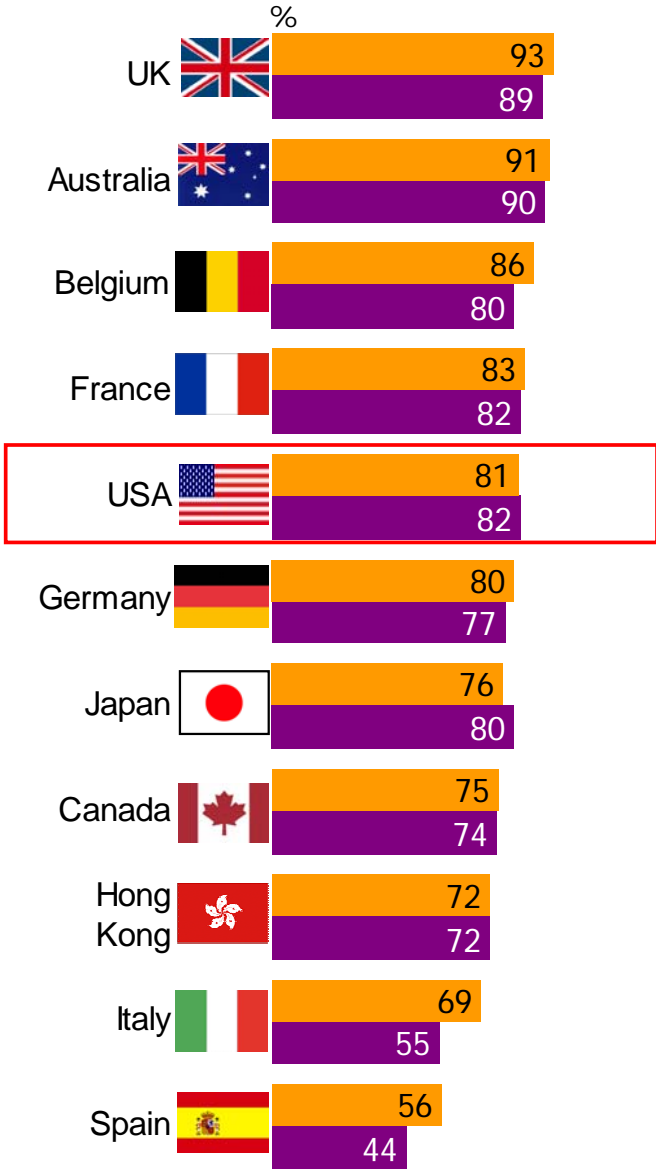
16. What will the reform consist of?

As in a majority of countries, most Americans expect future reform to reduce their income and start benefits at a later age.

Reduction of public retirement income



Increase in number of years that one must work

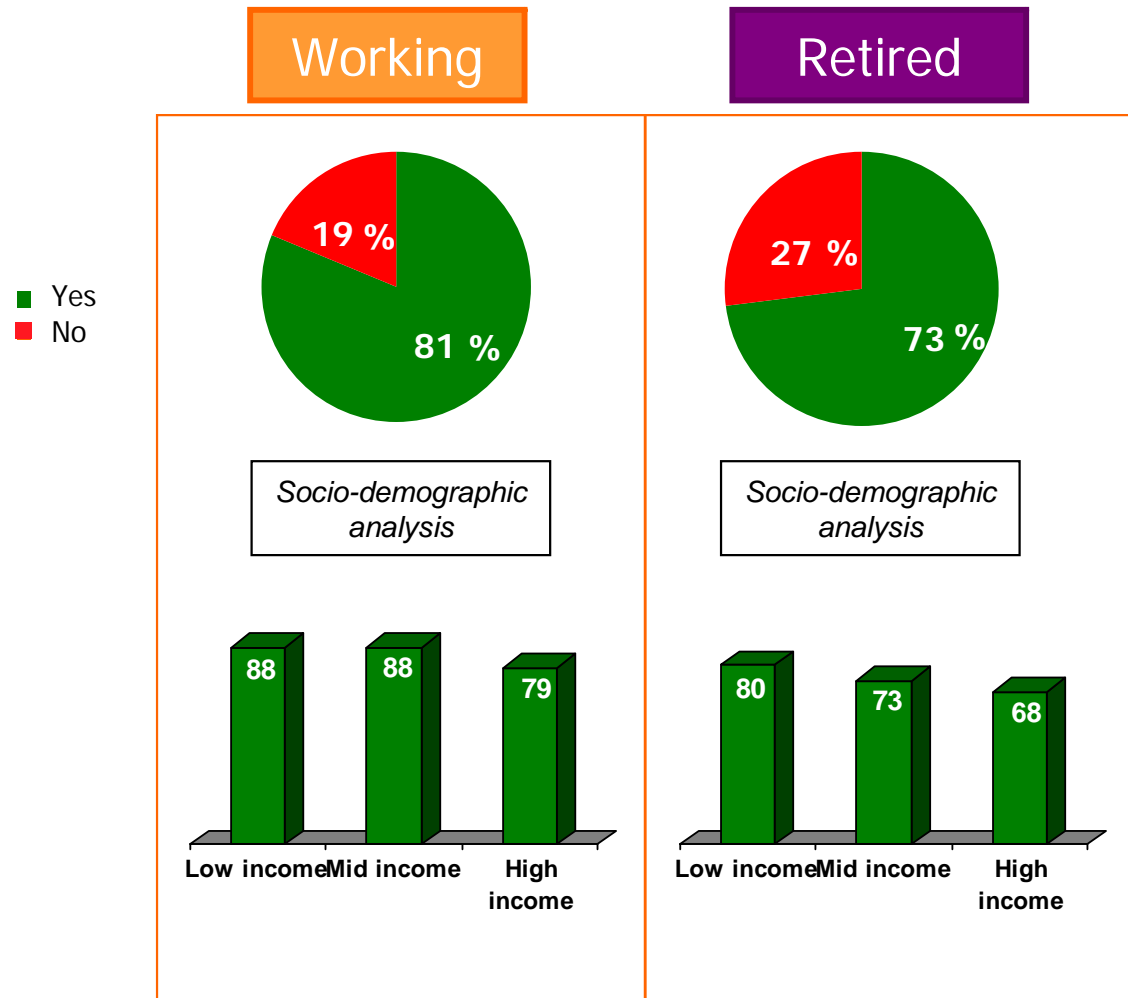


Working Retired



17. Should retirees be taxed at a lower rate than working people?

Strong consensus exists that retirees should be taxed at a lower rate. Especially among retirees, public opinion is influenced by level of income / financial comfort: people with lower incomes logically approve of such a measure.



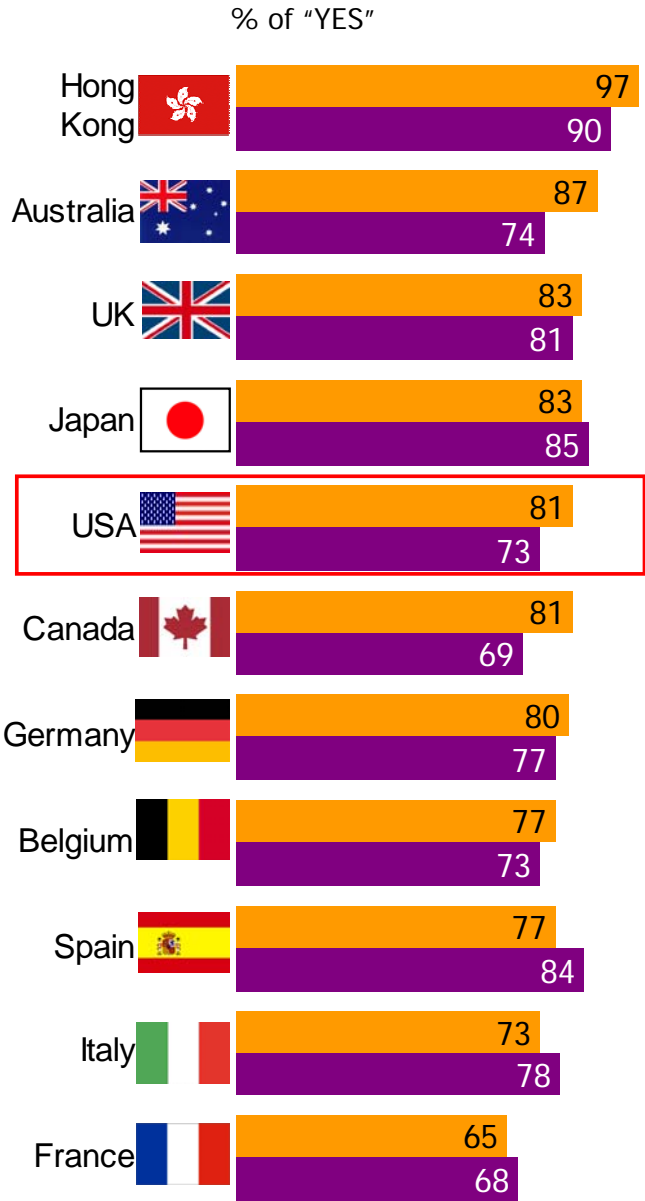
Base : n=435 Working, n=413 Retired



Q.37 WORKING and Retired: Do you think Retired people should be taxed at a lower rate than working people?

17. Should retirees be taxed at a lower rate than working people?

Both working and retired Americans agree with the rest of the world that retired people should be taxed at a lower rate.



Working
Retired

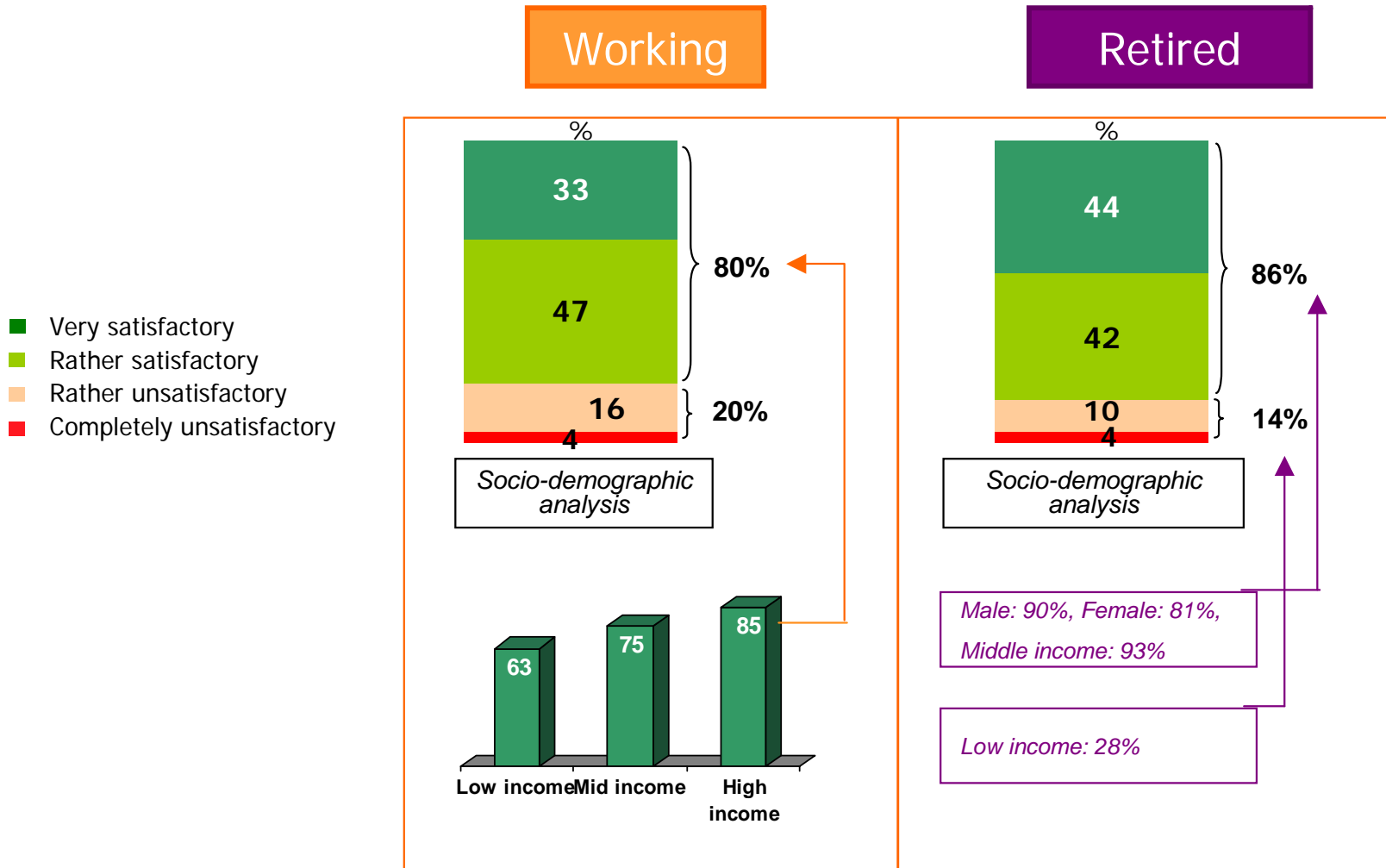


Retirement and health: does health consciousness change upon retirement?

Working vs. Retired



1. Are people satisfied with healthcare in their own country? Americans are generally satisfied with healthcare, with retirees more than working people. Satisfaction level is linked with income level.



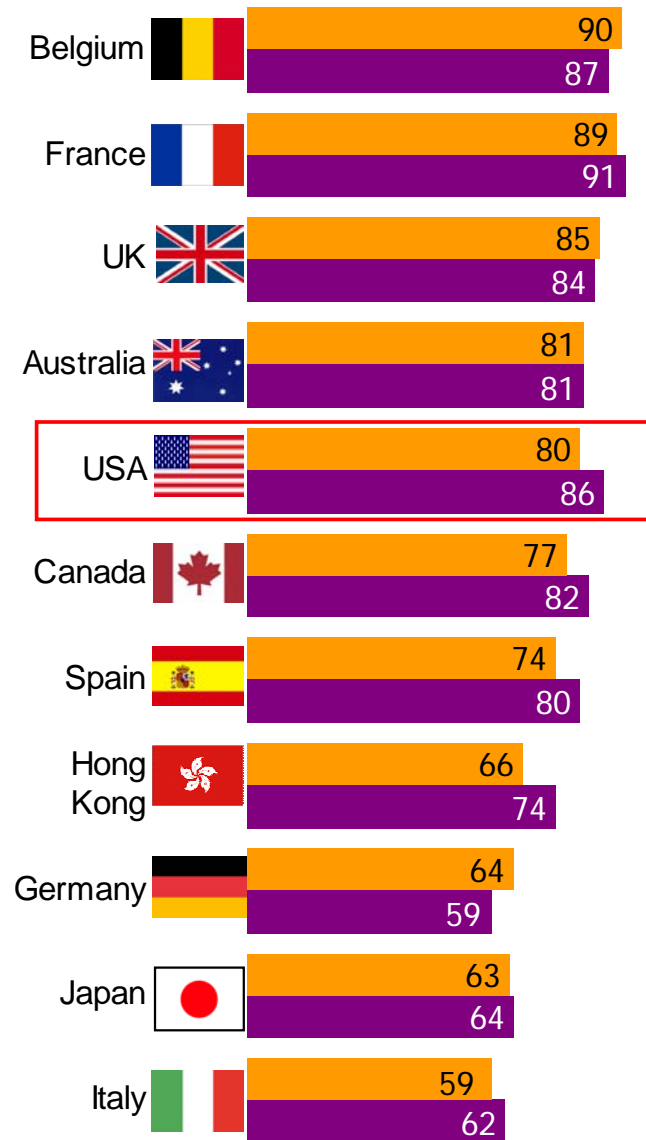
Base : n=435 Working, n=413 Retired

Q.47 Working and Retired: How would you rate the quality of health care you receive in your country? INT.: Read out. One answer only



1. Are people satisfied with health care in their own country?

% of people who are very satisfied + rather satisfied

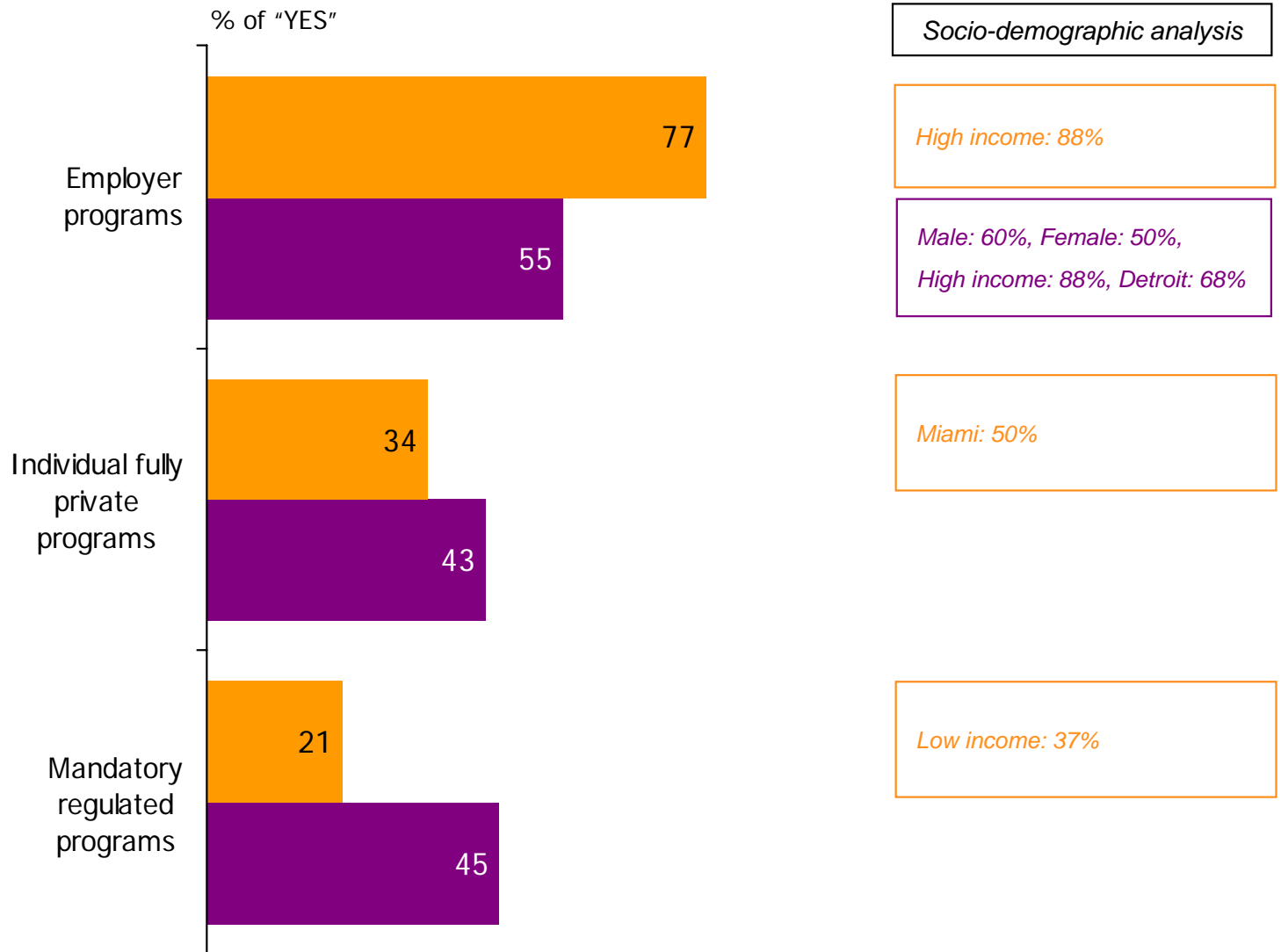


Working
Retired



2. What kind of health insurance coverage do people have?

Health coverage through one's employer is the predominant choice of both populations. Individual private programs and mandatory health programs are not as common among workers as they are among retirees.



Base : n=435 Working, n=413 Retired

Working
Retired

Q.46 Working and Retired: What kind of health insurance coverage do you have ?

NT. : Read out. One answer per line



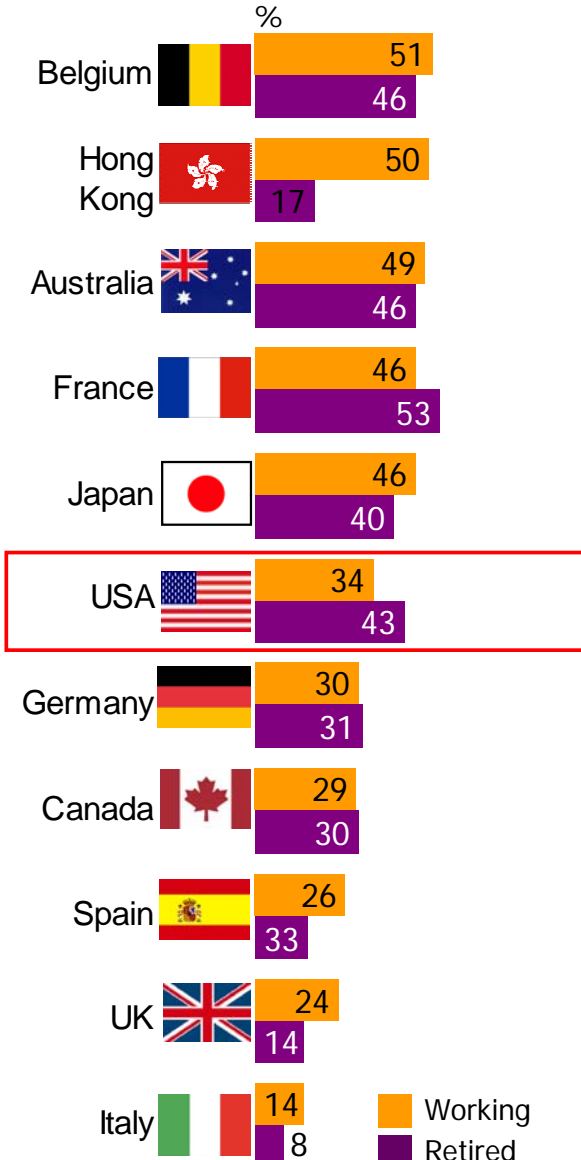
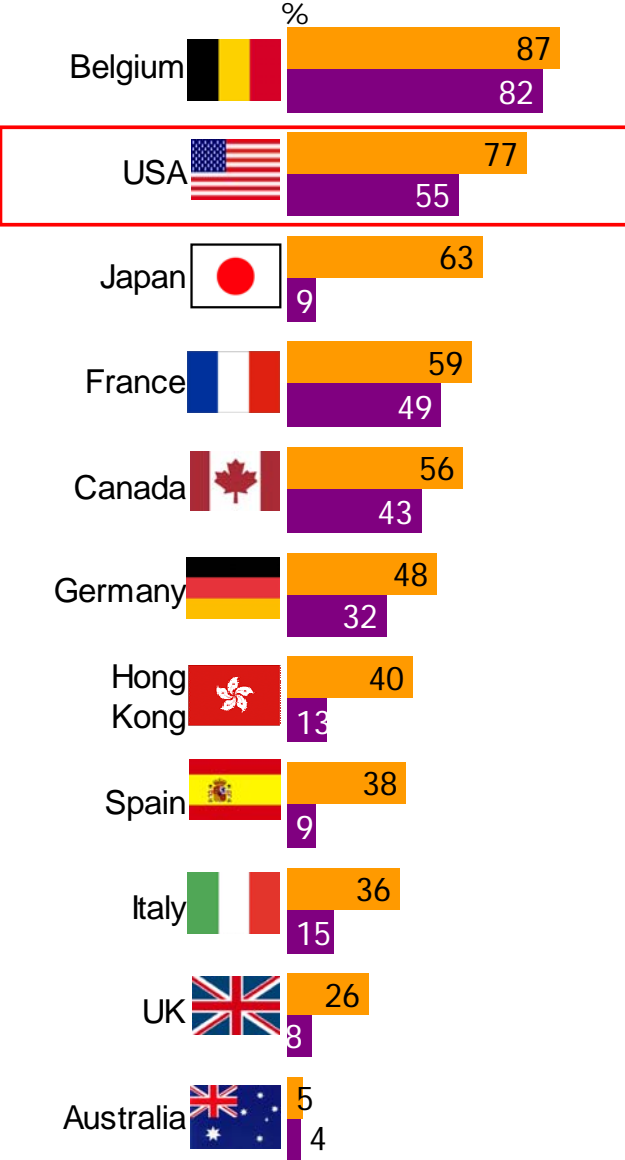
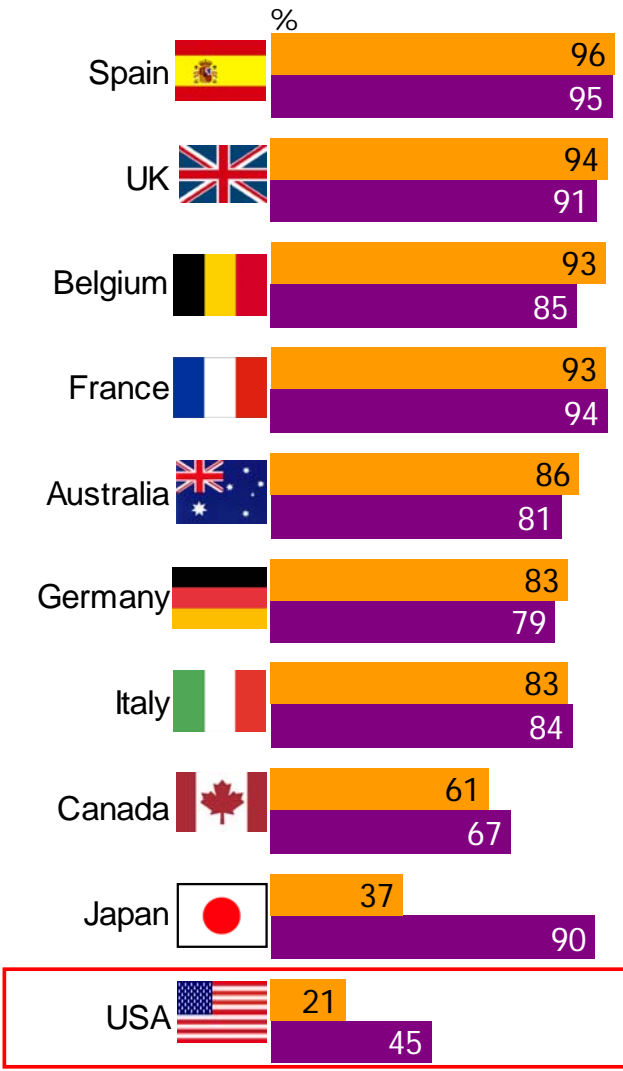
2. What kind of health insurance coverage do people have?

Health insurance coverage is mostly received through employer programs: individual and private management rates average, Government-sponsored programs rate low.

Government-sponsored programs

Employer programs

Individual and fully private programs

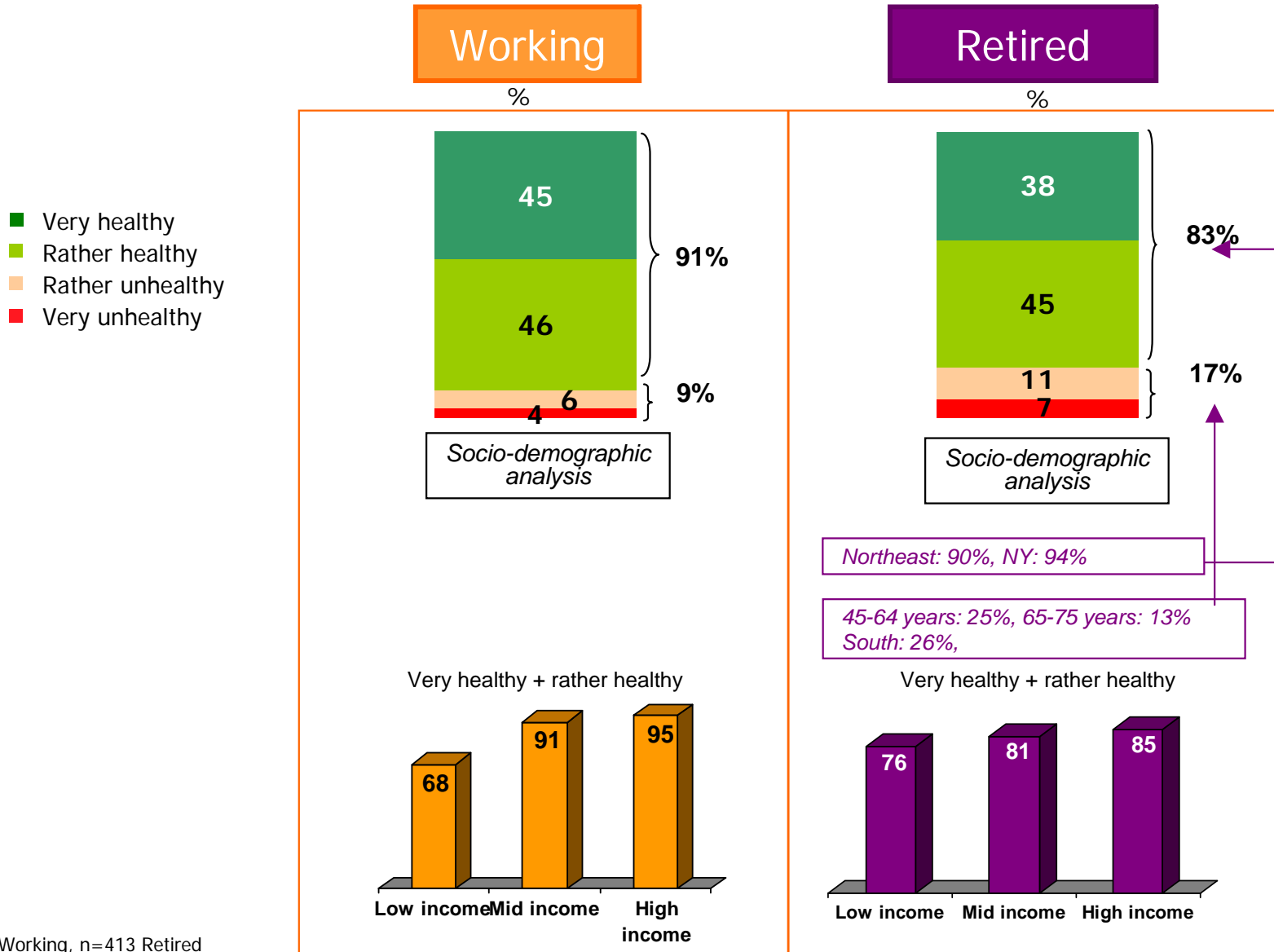


This item wasn't asked because Mandatory regulated programs don't exist in Hong Kong



3. Do people feel healthy?

Americans feel healthy. There is a correlation between health and income level: people with higher incomes feel healthier.



Base : n=435 Working, n=413 Retired

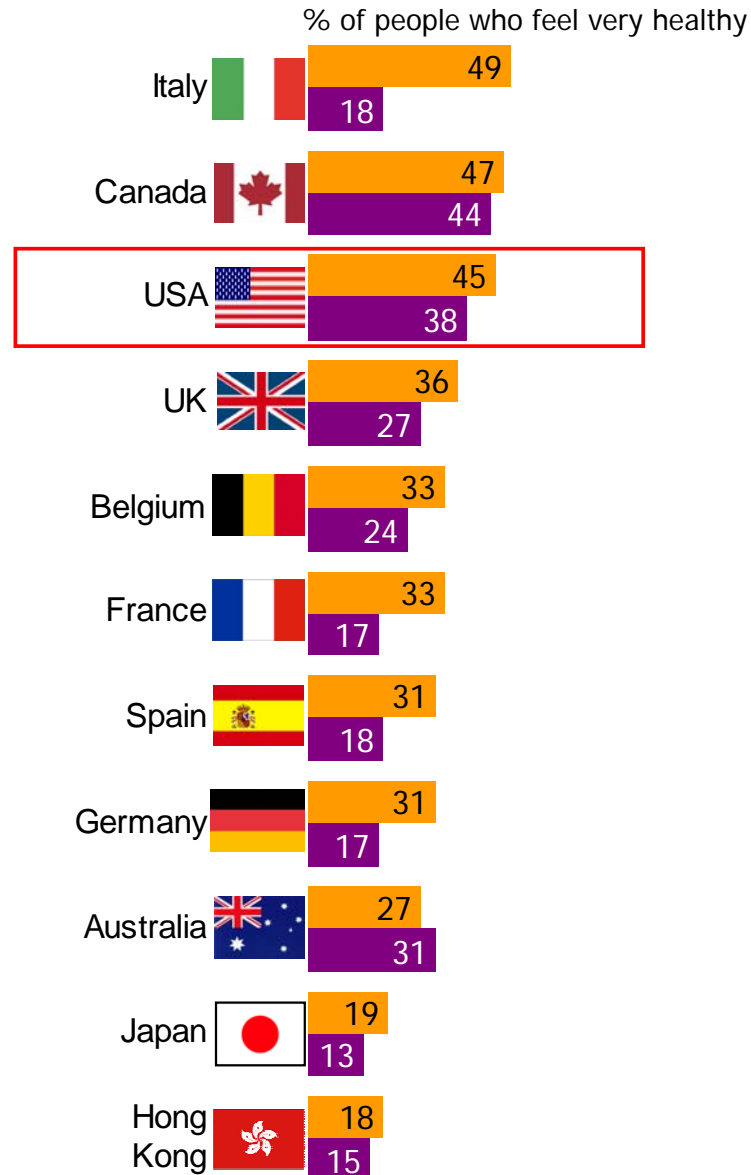
Q.43 Working and Retired: Do you feel...?

INT. : Read out. One answer only?



3. Do people feel healthy?

Both working and retired Americans feel much healthier than most.

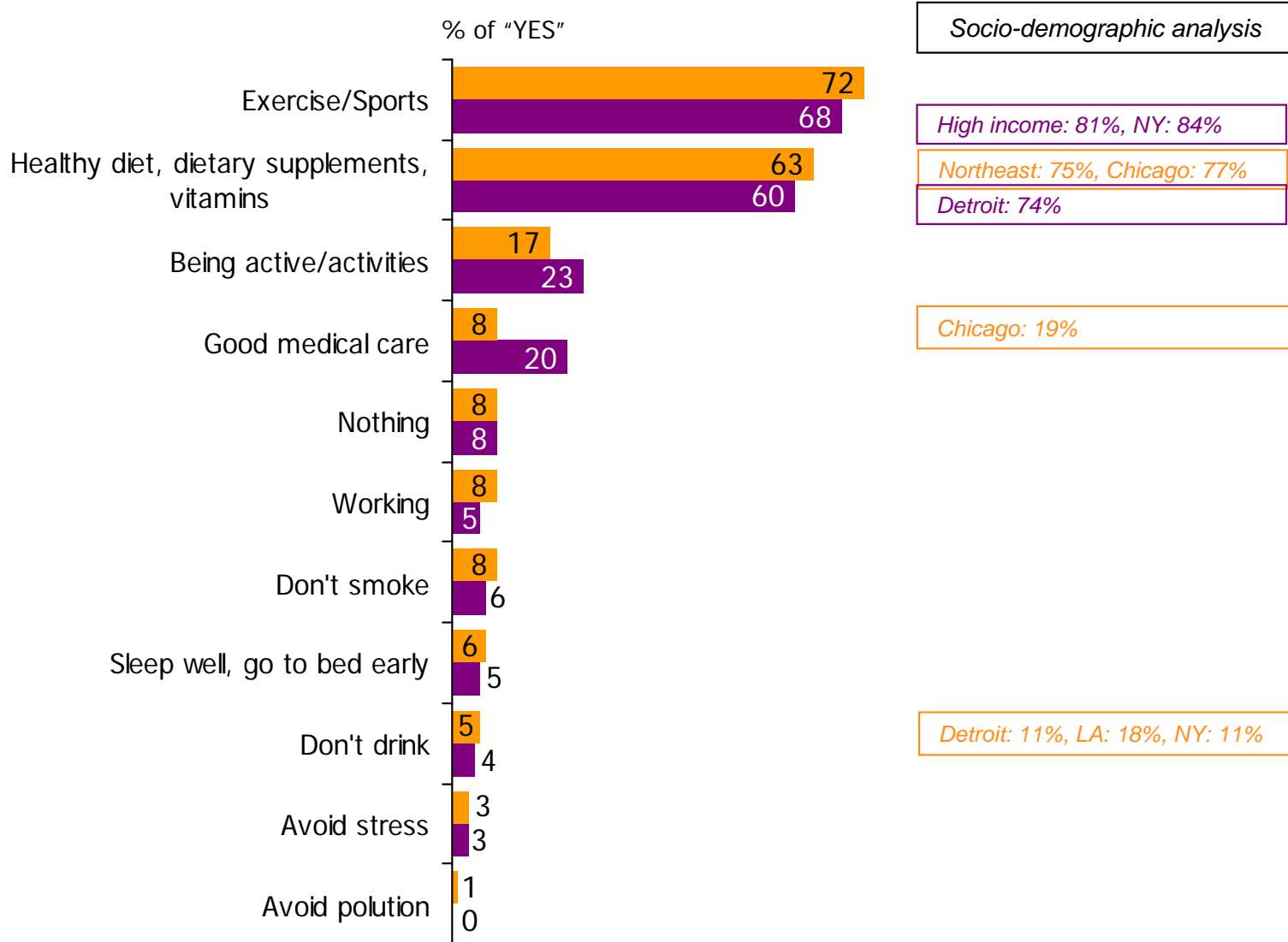


Working
Retired



4. What activities do people do to stay in good shape?

Exercise and sports, as well as a healthy diet are the keys to staying in good physical shape. The retirees also indicated being active / engaging in activities and good medical care.



Base : n=356 Working, n=321 Retired

Q.44 Working and Retired: What do you do to stay healthy?

[SPONTANEOUS PRE CODED QUESTION]

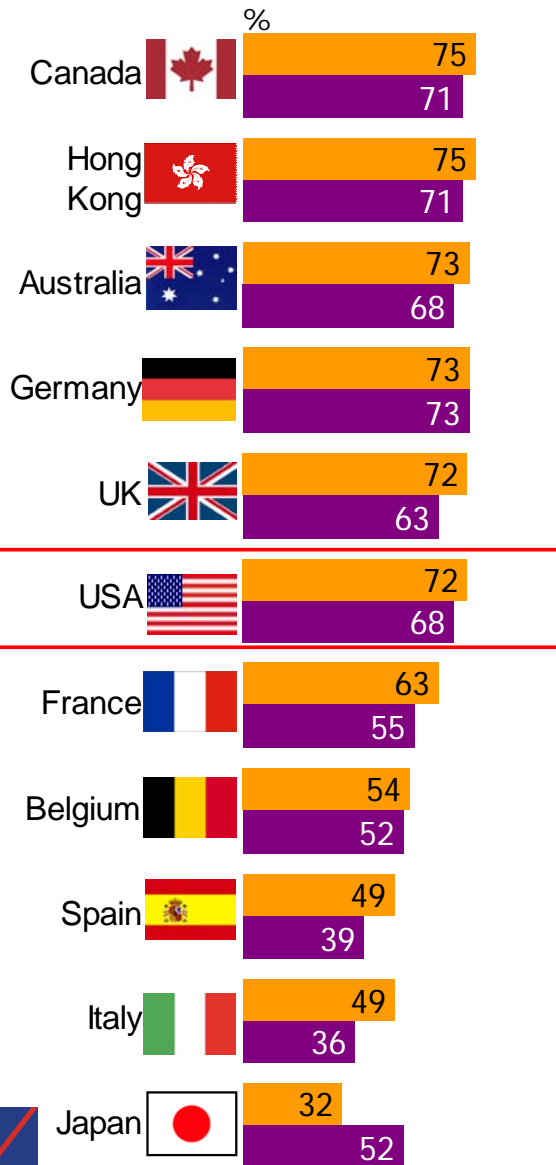
Working
Retired



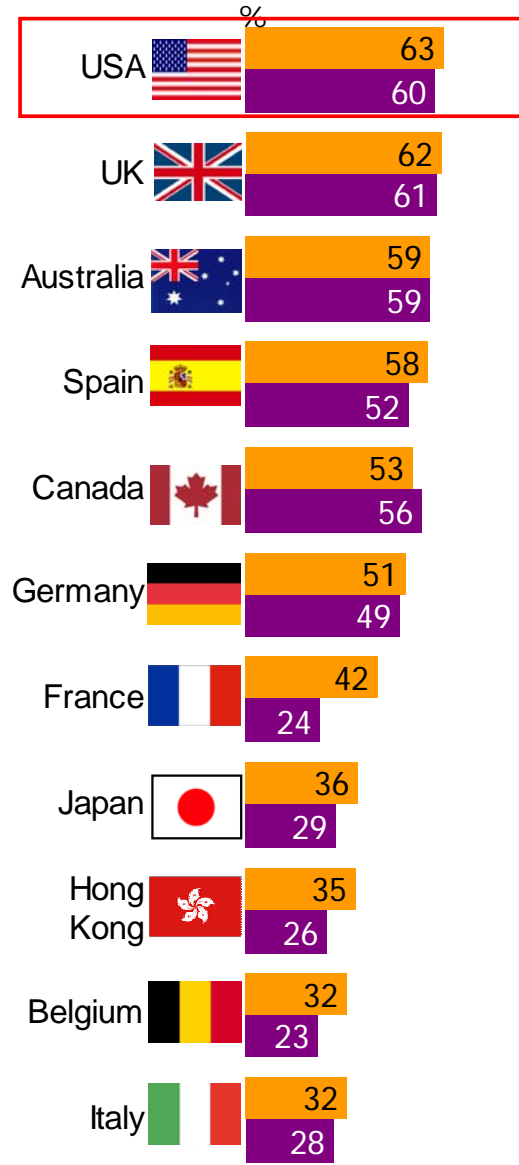
4. What do people do to stay in good shape?

Physical exercise is definitely preferred for staying in good shape. Diet and vitamin consumption are emphasized by Americans more than in most countries.

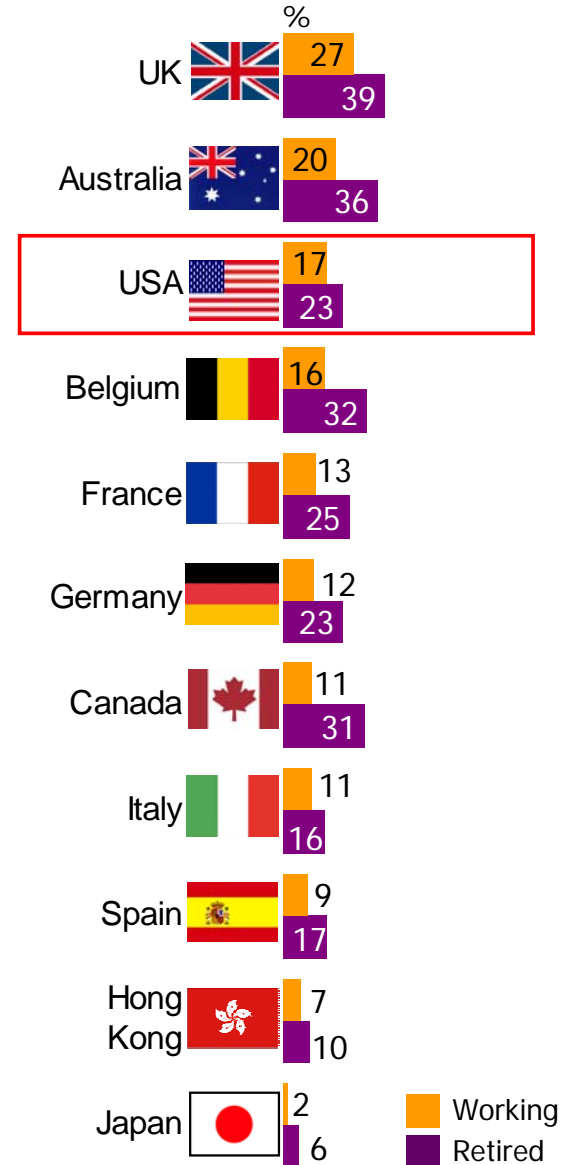
Exercise / Sports



Healthy diet, dietary supplements, vitamins...



Being active/activities



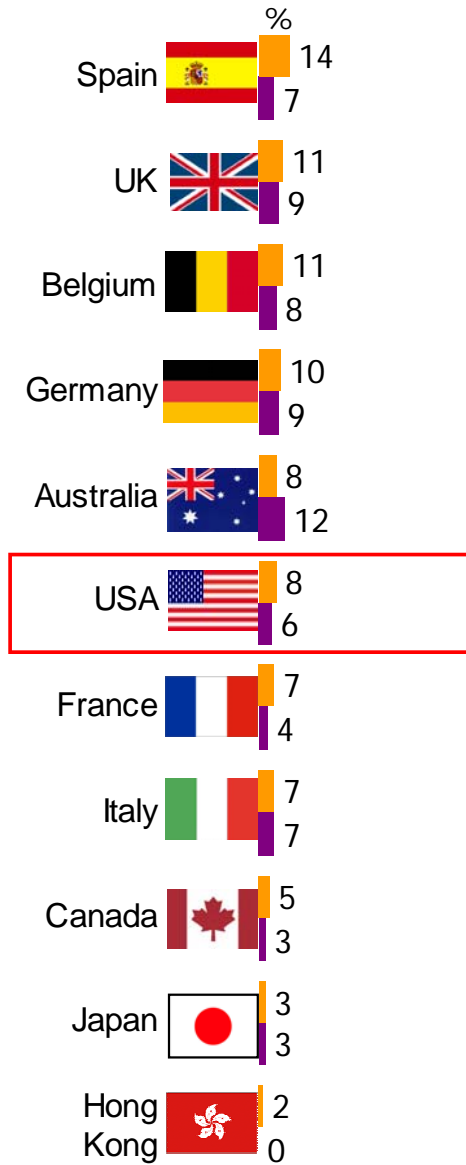
Working Retired



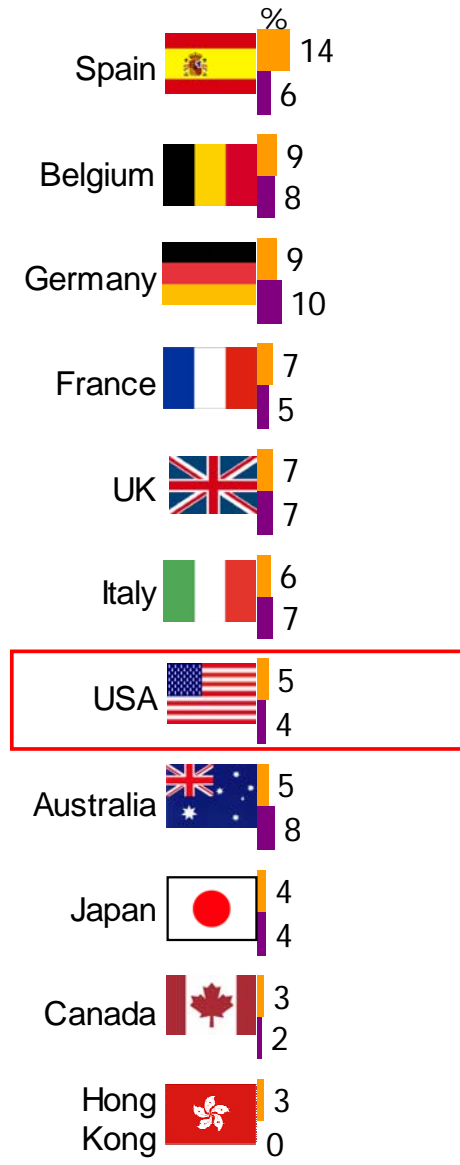
4. What do people do to stay in good shape?

Good medical care is a way of staying in shape for Americans.

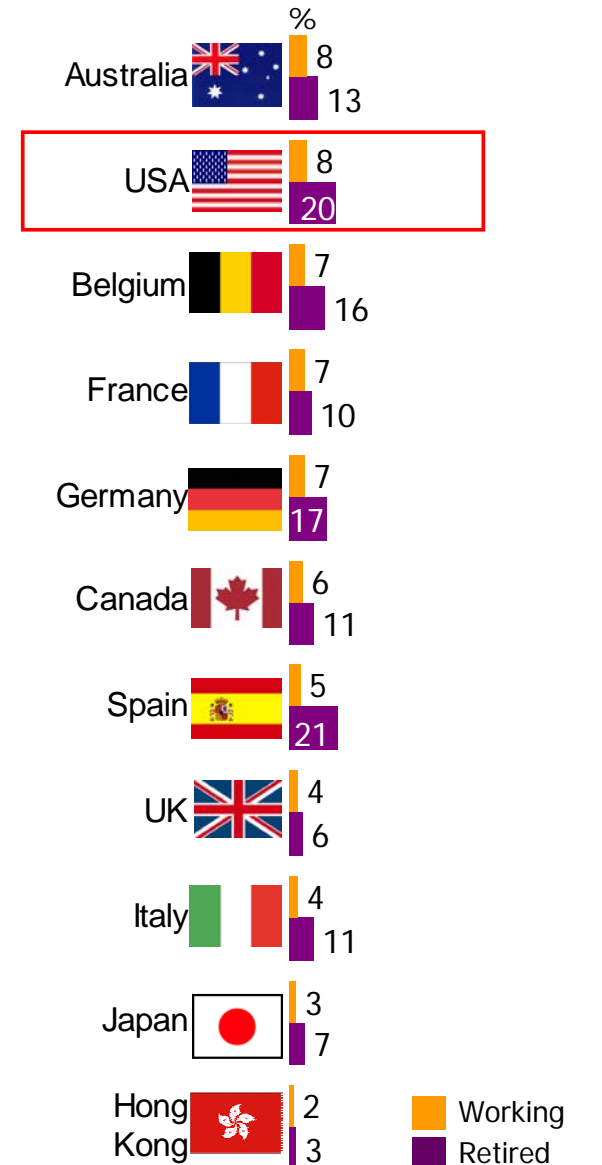
Don't smoke



Don't drink



Good medical care

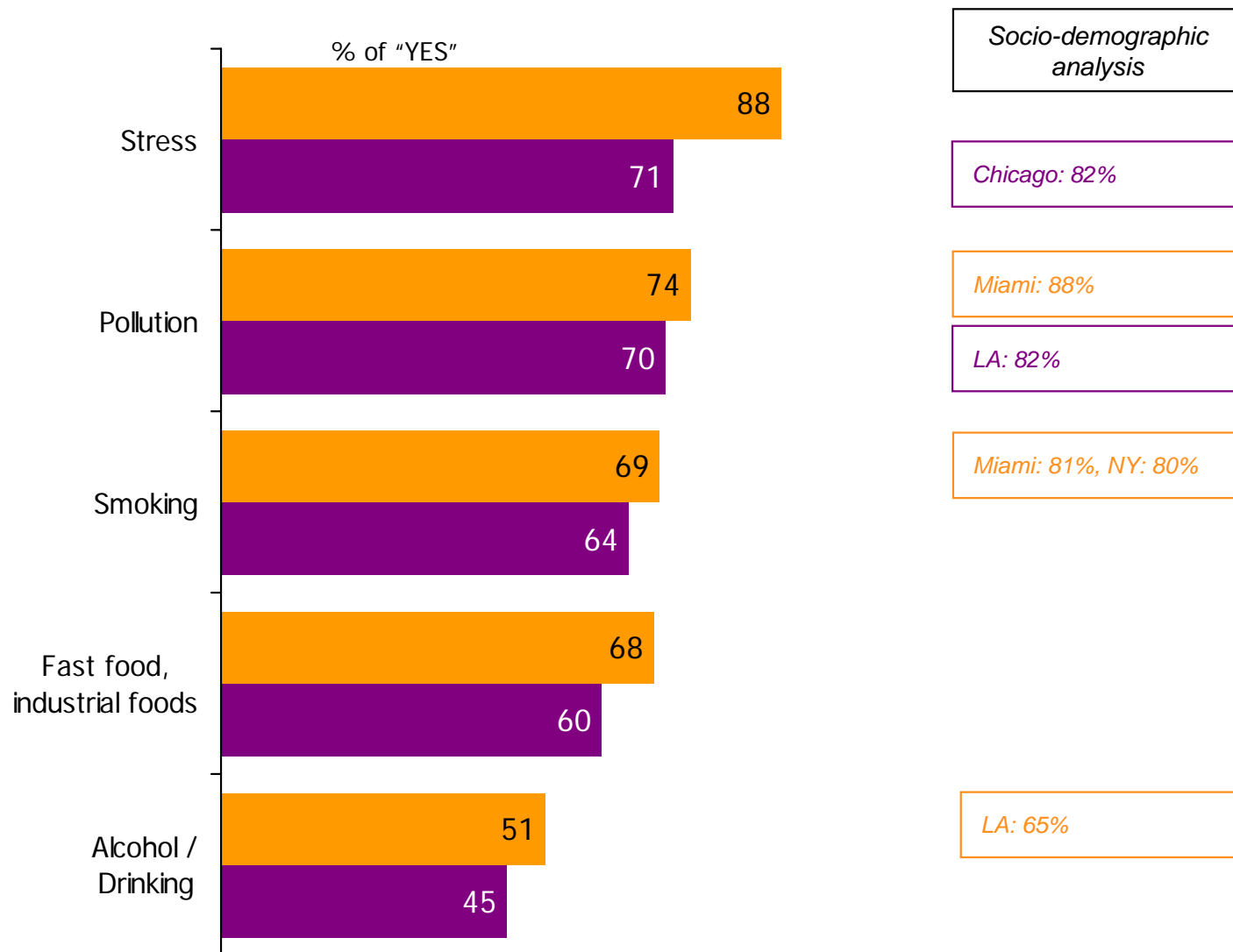


Working Retired



5. What threatens people's health the most?

Workers and retirees are in agreement about what threatens health and in what order these threats should be ranked: The number one threat is stress, followed by pollution. Alcohol is only perceived as a threat by one out of two Americans. People in major cities ranked these threats particularly high.



Base : n=435 Working, n=413 Retired



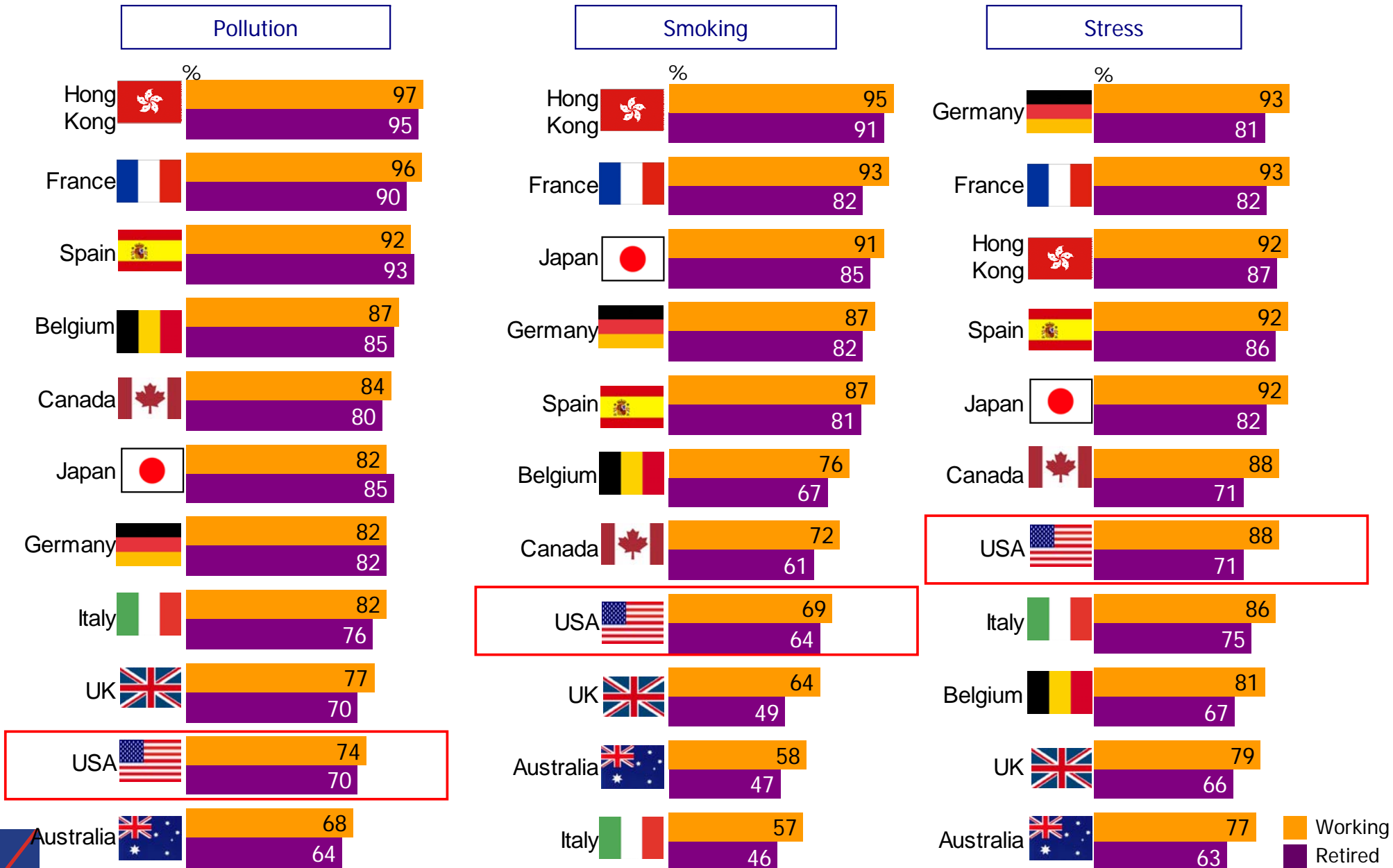
Q.45 Working and Retired: Personally, which of the following do you think threatens your health?

INT. : Read out.

Working
Retired

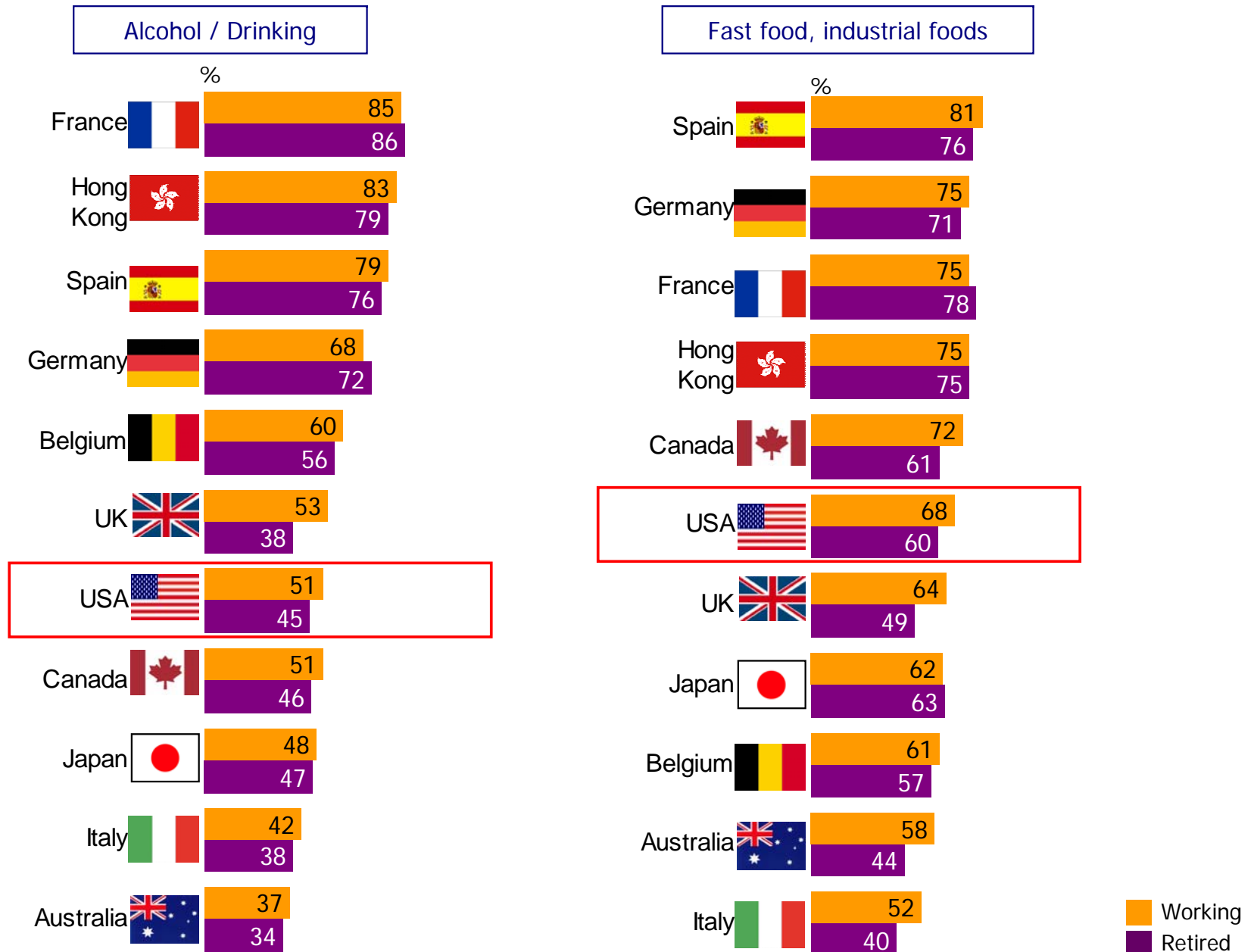
5. What threatens people's health?

Compared to other countries, pollution is not such a topic and threat for health.



5. What threatens people's health?

Alcohol risk is not perceived as strong a threat by Americans compared to Europeans. Americans are also conscious of the health danger of “junk” food.



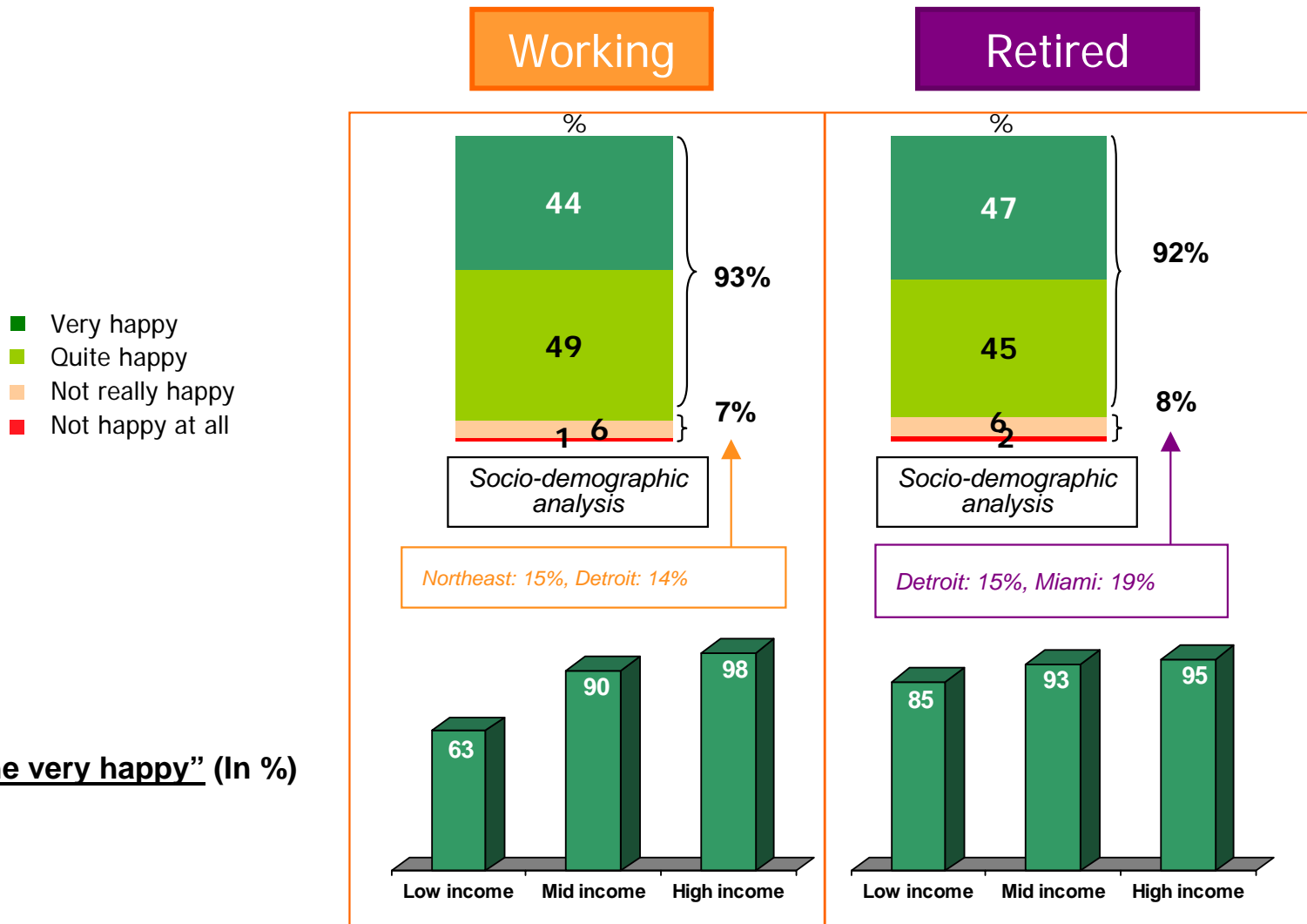


**Is retirement a happy period in life?
What factors influence this?
Working vs. Retired**



1. Are people happy?

Americans are as happy as ever. Unhappiness is more noticeable in Miami and Detroit, and those with higher incomes are happier than those with lower incomes.



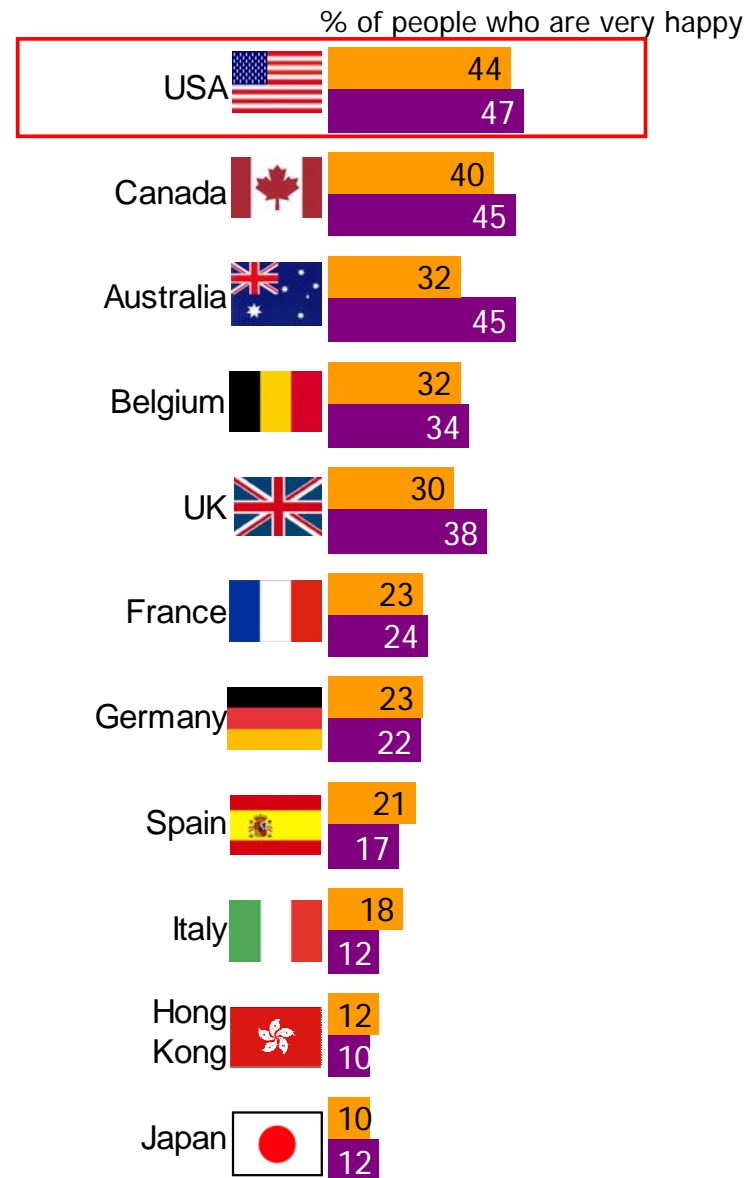
Base : n=435 Working, n=413 Retired



Q.2 Working and Retired: Overall, to what extent do you consider yourself to be happy?
Do you feel ...
INT.: Read out. One answer only

1. Are people happy?

Americans are very happy. Both retired and working people claim higher levels of happiness than their counterparts.



Working
Retired

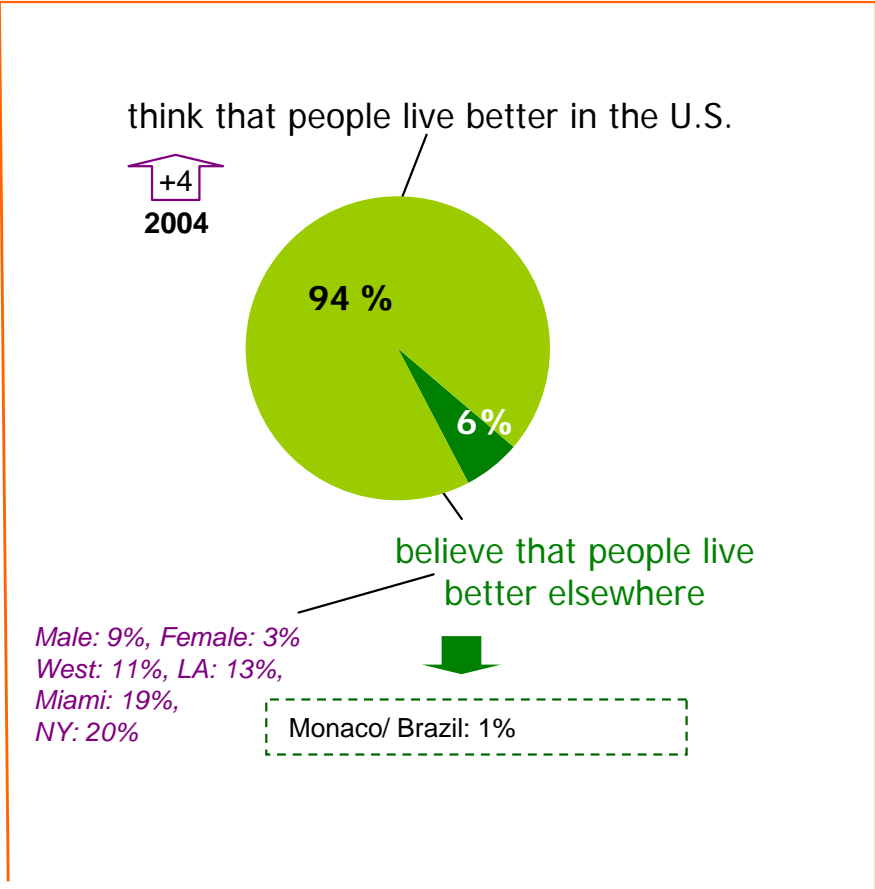
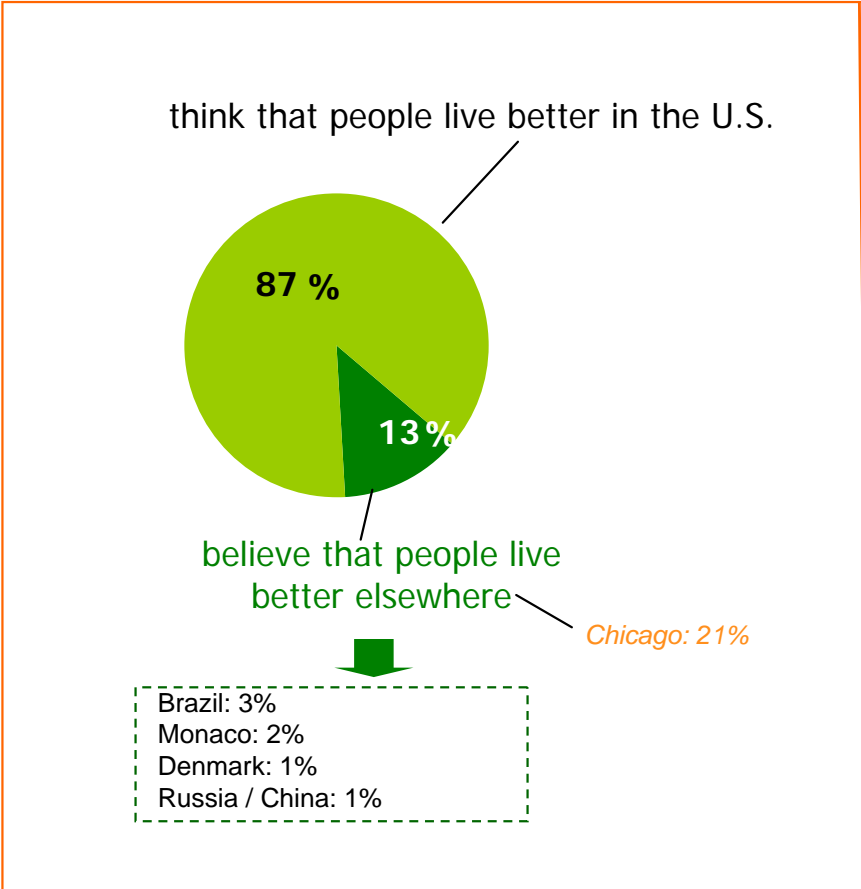


2. Which country offers the best standard of living?

Americans are overwhelmingly convinced that the U.S. offers a superior standard of living.

Working

Retired

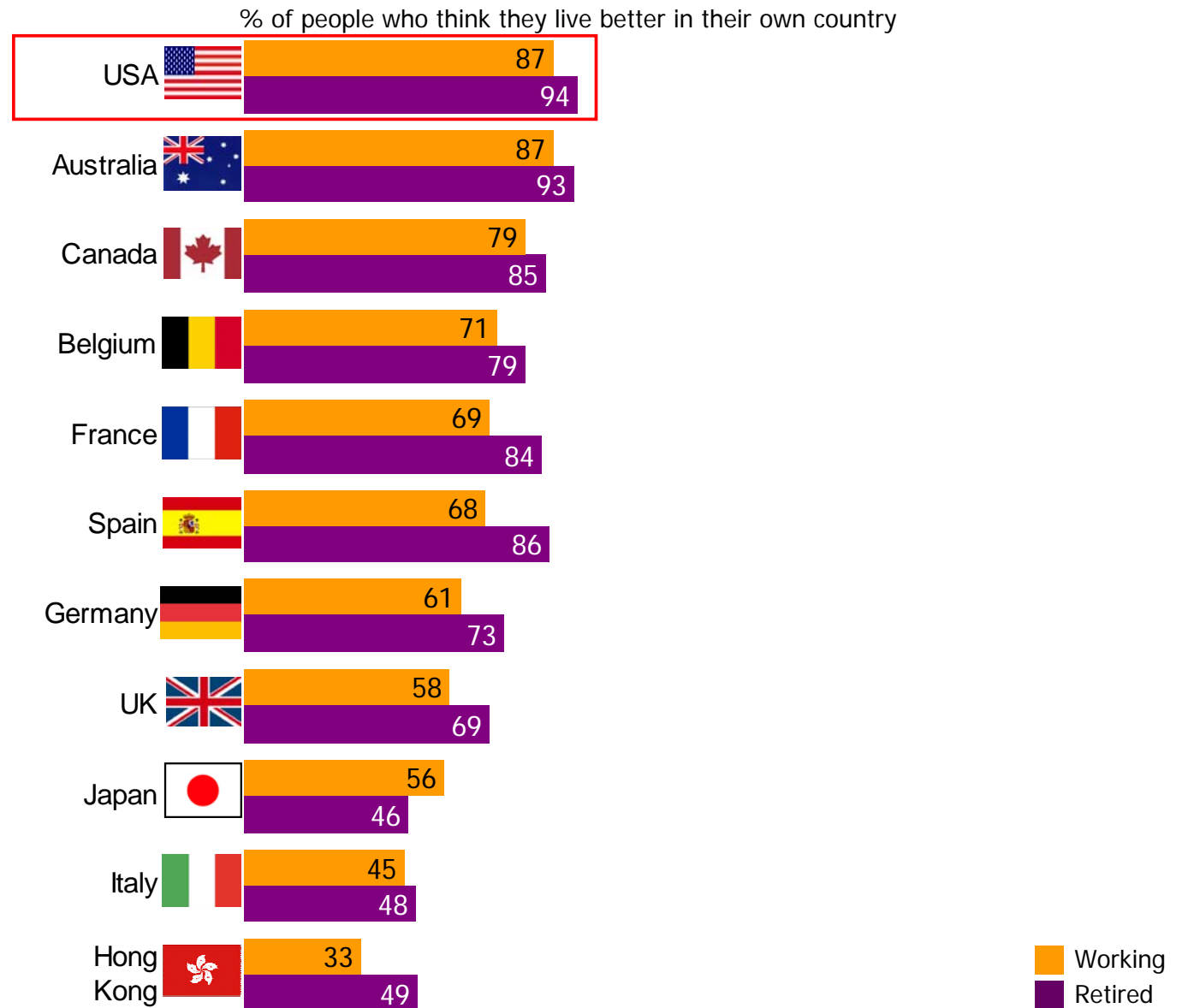


Base : n=435 Working, n=413 Retired



2. Which country offers the best standard of living?

Americans are thoroughly convinced of a superior standard of living in their country. Like all survey respondents, retirees believe this in larger proportions.

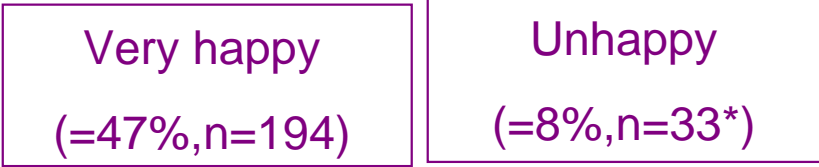


3. What factors influence happiness?

For retirees, happiness depends on a combination of factors: sufficiency of retirement income, having begun retirement preparations and health. Regular contact with family is also a source of happiness for working people.

Working

Retired



Q.22: Sufficiency of retirement income



Q.28: % of working having prepared for retirement



Q.29: Beginning age having prepared for retirement for retired people

Q.43: % of healthy people




Q.48: % who are in contact with their family several times a week



≠ significant discrepancy between very happy and unhappy people

* (low basis (<60))



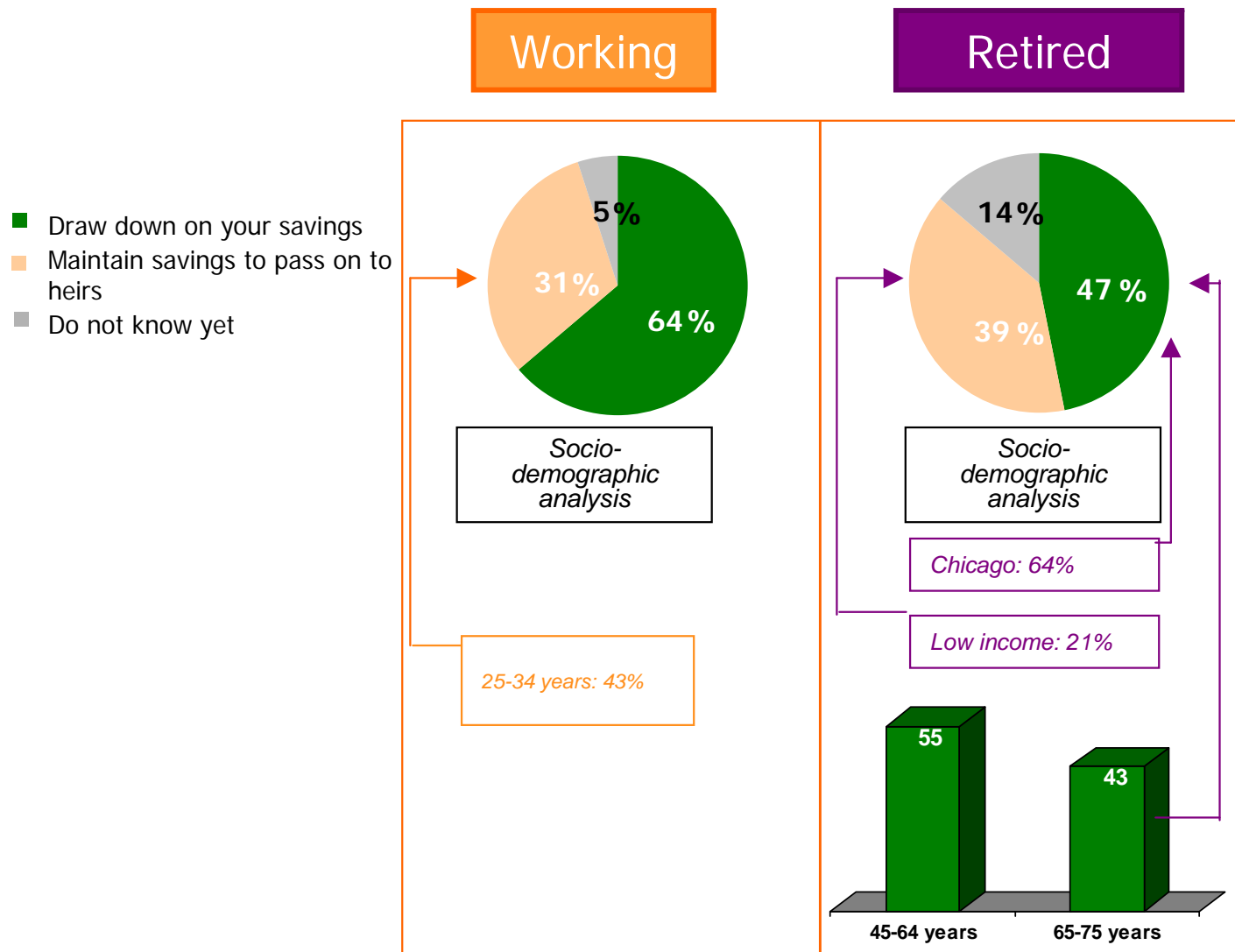
Additional Topics

Working vs. Retired



1. Will people leave inheritance to others?

A minority of working people plan on maintaining savings to pass along to heirs, but this proportion climbs slightly after retirement. A person's thoughts on this matter clearly change with age.



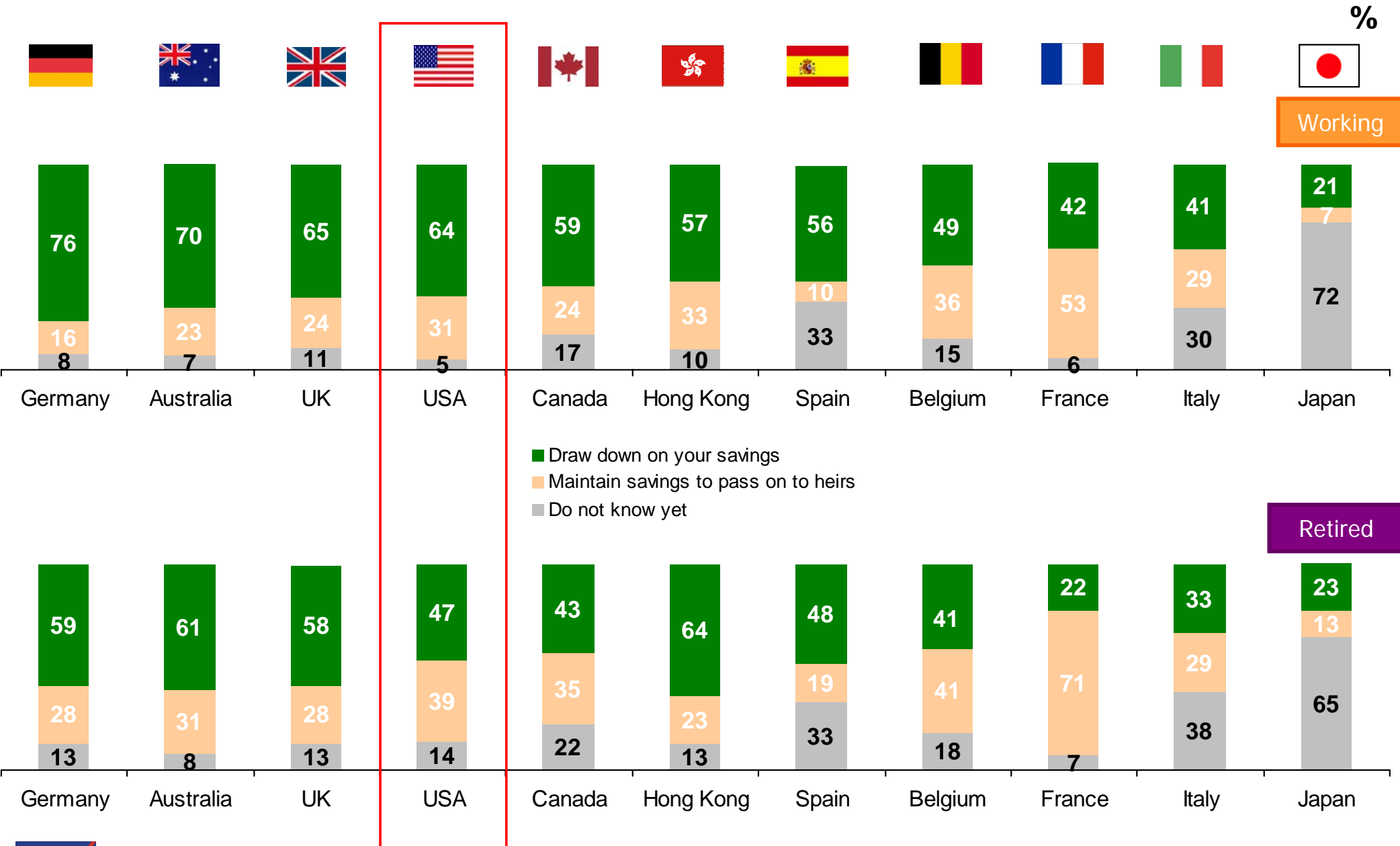
Base : n=391 Working, n=391 Retired

Question not asked to housewives in 2005

Q.G Working : When you will retire, do you think you will...?
QH. Retired : do you think you will...

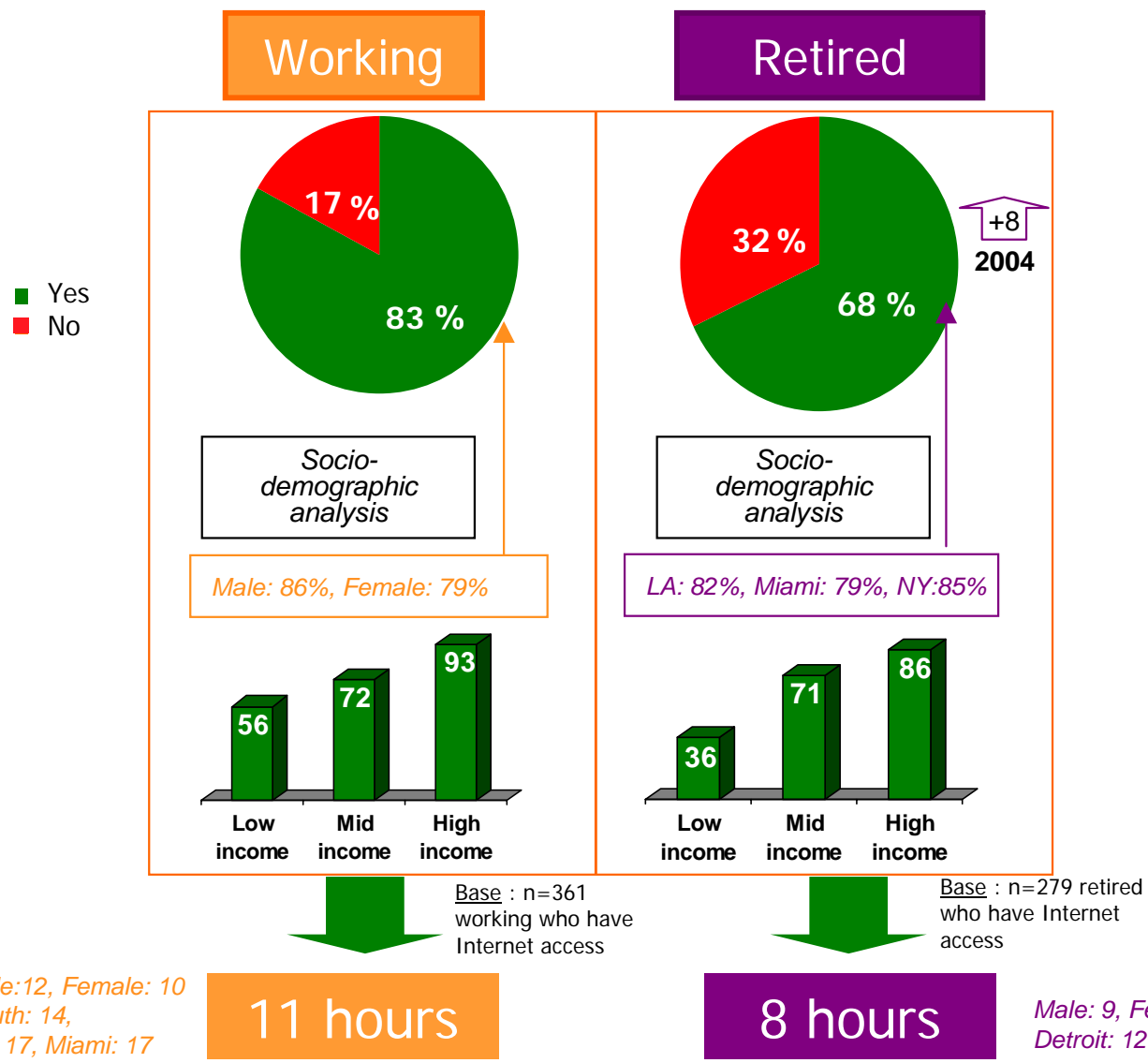


1. Will people leave inheritance to others?



2. What are the Internet habits of working and retired people?

Proportion of retired people with Internet access significantly increased compared to last year. Internet access is strongly correlated to income level. There is a higher rate of Internet connectivity in major cities. When they surf on the Internet, retirees spend about the same amount of time as the working people do.



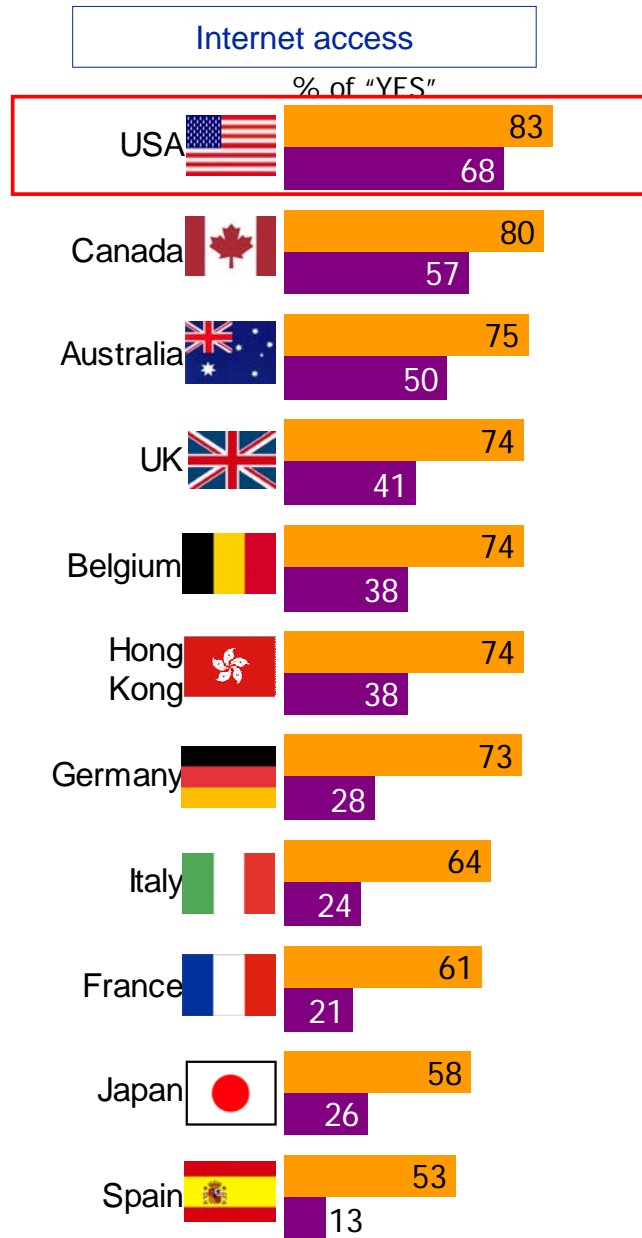
Base : n=435 Working, n=413 Retired



Q.A Working and Retired: At home, do you have an Internet access?
Q.B Working and Retired: How many hours a week do you use Internet?

2. What are the Internet habits of working and retired people?

American households are the most connected, especially retiree households.



Working
Retired



World-wide: 11 countries surveyed



Conclusions



1. Retirement Finances

A. American workers are positive (but not well informed) about future retirement income.

- More than 60 percent of U.S. workers believe their retirement income will be sufficient; but only one in five knows specifically how much that will be.
 - German workers are most knowledgeable about their future retirement income, as 44 percent indicate to know the specific amount.

B. Current U.S. retirees receive the world's highest level of retirement income.

- Nearly 70 percent of retirees are satisfied with their retirement income, which averages \$4,243 monthly (net of all pensions, savings, Social Security, etc.).
 - Americans far surpass all surveyed nations for retirement income, receiving nearly twice as much as second-ranking Canadians.
 - French, Japanese and German retirees round out the top five.



1. Retirement Finances (cont.)

C. Social Security and pensions are in trouble; future retirees won't rely on either.

- American workers have lost faith in Social Security, as 92 percent believe the program is in trouble or crisis.
 - American retirees agree, but are a bit more hopeful; 84 percent see Social Security as being in trouble.
 - Around 65 percent of all American respondents expect Social Security reform in the next 10 years (a 27 percent increase over last year).
- Currently, more than 70 percent of retirees rely heavily on Social Security and pension plans for income.
- But in the future, nearly 65 percent of current workers believe they will have to rely on their own retirement savings or sources of income other than Social Security or pensions.

D. Real estate plays a role, with home ownership high among retirees.

- Almost half of retirees have invested in real estate.
- 91 percent of American retirees own homes; 15 percent own two.



2. Redefining Retirement in America

A. Americans lead all workers in actively preparing for retirement.

- The average American worker saves \$1,253 monthly for retirement, a figure more than twice as much as in all other surveyed nations.
- 84 percent of American workers have already begun preparing for retirement, leading all nations. The average age that they begin to save is 30.
 - Early preparation correlates positively with income level. 94 percent of high-income workers have begun saving. The percentages are lower for middle and low-income workers at 77 and 40, respectively.
- American workers are most curious about financial planning for retirement; 63 percent are actively seeking advice.
 - Nearly 80 percent of all Americans seek out a financial planner, the most popular source of information.

B. Income decreases in retirement, but living standards aren't affected.

- Both workers and retirees are realistic concerning retirement income, as two thirds of each population expect their income in retirement to be less than when they were working.
 - 66 percent of working Americans expect standard of living to remain the same or increase in retirement.
- Retirees in the U.S. are confident and content with their living standard with 98 percent of them indicating they already have everything they need.
 - However, about one third of those respondents still carry mortgage debt.



2. Redefining Retirement in America (cont.)

C. The right time for retirement is changing.

- On average, people want to retire before 60 years old. Working people consider 55 years old the ideal age for retirement, however, they will have to work an average of seven additional years.
- Canadians and Americans retire earliest. Nearly three out of four American retirees did so before the generally accepted retirement age of 65.
 - Americans are second only to Canadians, 78 percent of whom retired early.

D. Will you work in retirement?

- 63 percent of U.S. workers desire a paid job after they retire, but only 15 percent of currently retired respondents actually work for pay.
 - 40 percent of Japanese retirees work, far more than in any other nation.
- Many American workers want to work during retirement, fearing insufficient retirement savings and high living standards.
 - Only 12 percent of workers expect improved living standards in retirement, a six percent decline since last year.



2. Redefining Retirement in America (cont.)

E. Retirees get *more* active after working years, not less.

- Working people view retirement as a time rich in activity, and retirees are proving this to be true. For most respondents, retirement means freedom for leisure activities, sports and travel.
 - Nearly 70 percent of American retirees exercise for health benefits, ranking high internationally, with Canada, Australia, Germany and Hong Kong.
 - More than one third of retirees are spending retirement on travel, hobbies and special interests. Around one in five is active in sports, volunteerism, gardening/DIY projects and spending time with family.
 - American retirees travel more than their counterparts in other surveyed nations, but rarely leave the country.
 - However, retirement travel isn't as prevalent as workers hope – nearly 60 percent of today's workers expect to travel frequently in retirement, but only 31 percent of retirees value travel as much.

F. Americans redefining “old” age.

- Both workers and retirees surveyed feel that Americans are fit to work full time until age 68.
 - Respondents in other countries agreed, for the most part.
- 93 percent of workers and 98 percent of retirees believe people over age 65 make good workers.
- When people retire at age 65, they have not yet exhausted their potential as “quality” workers.
- American workers consider age 75 to be “old,” while retirees consider 81 “old” – the highest among countries surveyed. Conversely, Japanese workers believe 57 is “old” and retirees feel 68 is “old.”



3. Families and Retirement

A. Retirement savings are for me, not my heirs.

- 64 percent of working Americans expect to spend their savings in retirement; only a third expect to maintain savings to pass on to their heirs.
- French respondents are most generous with their inheritance; it's the only population where more than half of workers plan to pass retirement savings on to their heirs. Even more (71 percent) of France's retirees are doing the same.

B. In the U.S., retired parents expect emotional/family support but not financial help.

- Both working and retired respondents agree that children should support retired parents with their physical presence and regular visits (92 and 91 percent of respondents, respectively).
- However, only half of working respondents believe that retired parents should receive financial assistance from them.
 - Similarly, only one out of four retirees believes they should receive financial assistance from their children.
 - Respondents in Hong Kong take the most responsibility for retired parents; 97 percent agree it is their duty to help parents financially.



End Page



Be Life Confident