



Media Release

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## Baby boomers' retirement plans left in limbo

A report compiled by National Seniors Australia has found 60 per cent of baby boomers are being forced to retire later than preferred, a figure likely to be further compounded by the effects of the global financial crisis.

The research review from the National Seniors Productive Ageing Centre entitled, *My Generation- Are Australian Baby Boomers the Retiring Kind*, brings together research on the retirement plans and expectations of Australian baby boomers from several key studies undertaken over the past four years.

Alarming, the research shows that up to 49 per cent of baby boomers believe their main source of income after retirement will be superannuation or annuity. This is despite the average superannuation balance for baby boomers being just \$65,000.

National Seniors chief executive Michael O'Neill said the review was important as it studied the retirement plans and expectations of Australia's largest and most influential age group in Australia.

"By 2030, all baby boomers will be 65 or older. Considering the dramatic consequences a mass exodus from the workforce could bring, National Seniors believes it is critical to undertake this area of study," he said.

"Although the research tells us that 60 per cent of baby boomers are likely to retire later than preferred, there's a disconnect between what they want to do and what their funds will allow them to do so many of them are really in limbo.

"Furthermore, the decision to increase the pension age to 67 is likely to impact on their plans even more."

The most common factors influencing baby boomers' decision to retire were: financial security; health and becoming old enough to apply for the age pension.

Baby boomers represent 25 per cent of the Australian population, with nearly 5.6 million baby boomers scheduled to phase into retirement over the next 15 years and nearly half (46 per cent) expect to be partially reliant on the age pension.

"Preliminary results from recent focus groups with Australian baby boomers suggest that baby boomers have been hit hard by the financial crisis, with many forced to revise retirement plans and curb lifestyle and travel spending," O'Neill said.

"Worst affected seem to be divorced women and men who have experienced redundancy or retrenchment in recent years."

**Michael O'Neill is available for interview on 0448 125 898. Media: Casey 07 3233 9135.**