

The Future of Retirement

What the world wants

Media factsheet – Singapore

In Singapore we talked to 1,000 individuals and 300 private-sector employers, interviewing them by telephone. We have organised their responses around five key questions:

1. What is retirement?
2. How will we pay for retirement?
3. When should we retire?
4. How do older workers compare with younger ones?
5. Do employers and employees think alike?

Key findings

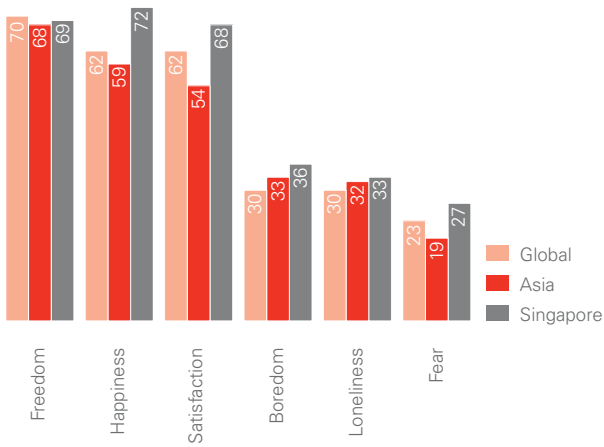
- For Singaporeans, the positive aspects of retirement are more pronounced than they are elsewhere, but its negative aspects are also felt a little more than in the other countries surveyed.
- More people in Singapore than anywhere else say that family and friends are important for a happy old age.
- Retirement is very definitely seen as a time for rest and relaxation in Singapore.
- Even more than in the rest of Asia, people in Singapore feel that individuals should be responsible for the cost of their own retirement.
- In Singapore, as in Japan, people would rather pay for retirement by increasing the retirement age than by means of government-enforced savings - the option favoured globally.
- Employers in Singapore see older workers in a very positive light, with their loyalty in particular being valued.
- By far the most common reason given by Singaporean employers for not doing more to attract and retain older workers is that this issue is “not urgent”.

For the full global results, please go to www.thefutureofretirement.com

1. What is retirement?

Singaporeans have an optimistic view of retirement, and are more likely to see it as a time of happiness and satisfaction than the global average, and much more than the regional average. However, the negative aspects of retirement are also slightly more pronounced.

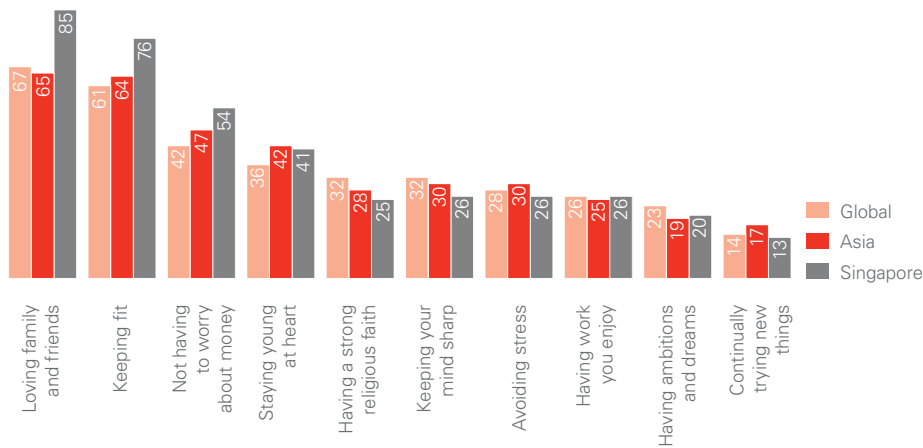
What individuals associate with retirement (in percent)



Source HSBC Future of Retirement Research 2006

The recipe for happiness in old age is the same in Singapore as elsewhere: family, friends and fitness. Even more people in Singapore identify these ingredients than they do elsewhere – the proportion identifying “family and friends” as important was the highest of any country we surveyed.

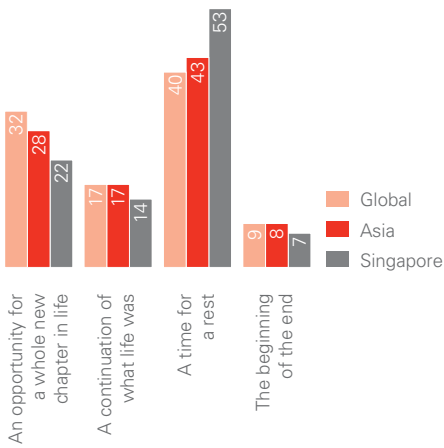
What individuals think is important to achieve a happy old age (in percent)



Source HSBC Future of Retirement Research 2006

In Singapore, retirement is much more often seen as a time for rest than an opportunity for a whole new chapter in life. In fact, of all the countries in our survey Singapore has the second highest proportion of respondents saying this.

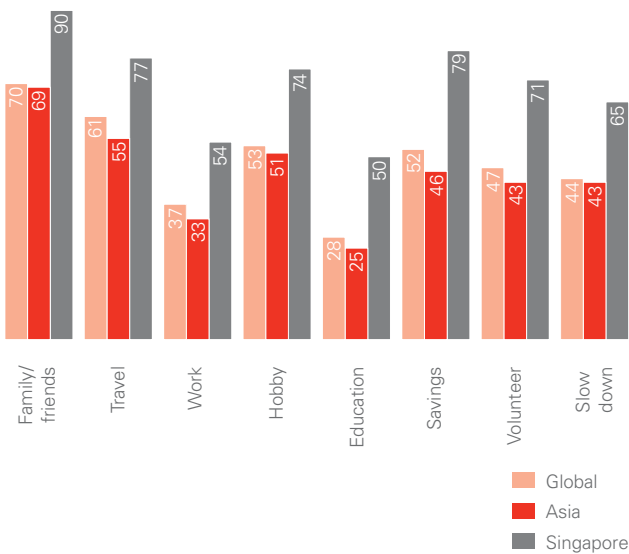
How individuals view retirement (in percent)



Source HSBC Future of Retirement Research 2006

Family and friends also figure prominently in Singaporeans' plans for how they will spend their time in retirement. Of all the other ways of spending time offered in the survey, this was picked by a greater proportion of people in Singapore than globally or in Asia.

How individuals would like to spend most of their time in retirement (in percent)

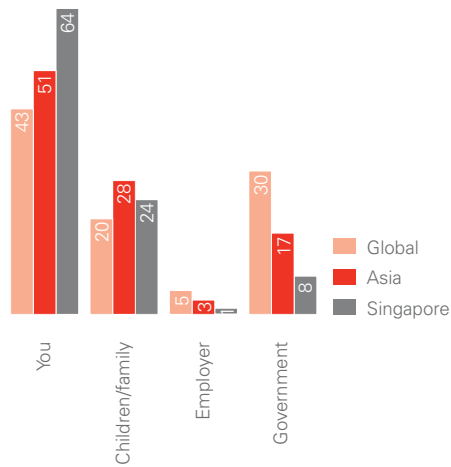


Source HSBC Future of Retirement Research 2006

2. How will we pay for retirement?

Even more than other people in Asia, Singaporeans are likely to feel that individuals should be responsible for the cost of their retirement.

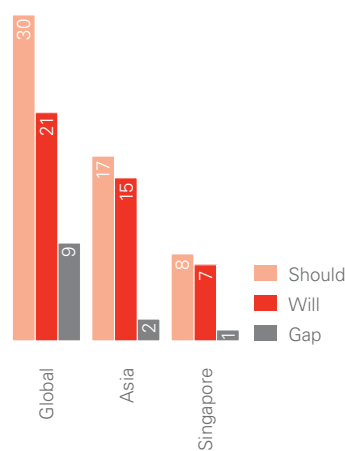
Who individuals think should bear most of the burden of supporting them in retirement (in percent)



Source HSBC Future of Retirement Research 2006

The confidence gap in Singapore is very small – of the few people who think the government *should* bear the cost of retirement, almost all are confident that it *will*.

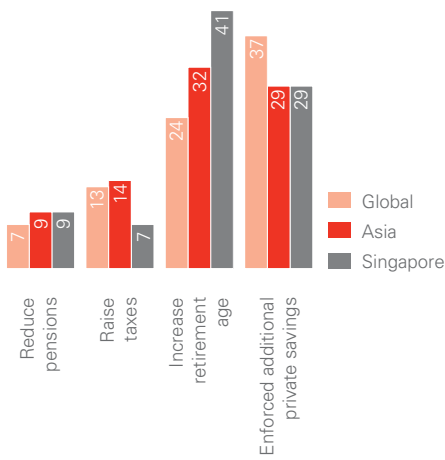
The gap between proportions of people thinking that governments should / will finance the ageing populations (in percent)



Source HSBC Future of Retirement Research 2006

Singapore is one of the few places in our survey where government-enforced additional savings are not the favoured means of paying for retirement. Instead, as in Japan, people opt for an increase in the retirement age.

How individuals think governments should finance ageing populations (in percent)



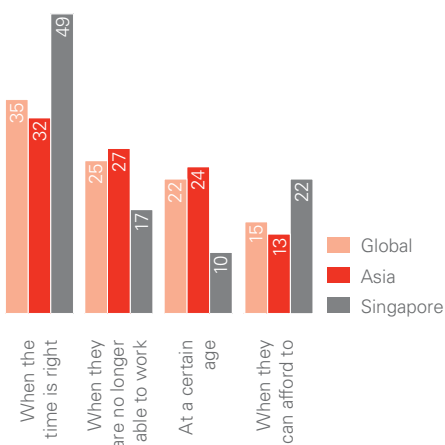
Source HSBC Future of Retirement Research 2006

3. When should we retire?

Respondents in Singapore give a relatively old age as the ideal for retirement: for men they believe the ideal is 63.5 and for women 60. This is higher than both the global and the regional average.

Singaporeans are more likely than the global average to say that people should retire when the time is right, and only a tenth say retirement should come at a particular age.

When individuals would choose to retire? (in percent)

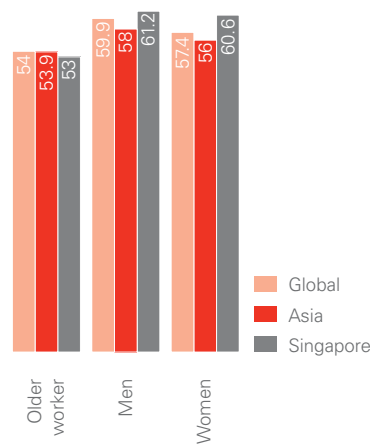


Source HSBC Future of Retirement Research 2006

People in Singapore are perceived as being “older workers” a relatively long time before the typical retirement age – around eight years.

Compared with the global average, Singaporeans are rather less likely to say they would continue to work after the normal retirement age because they need the money, and rather more likely to say they would do so in order to have something meaningful to do.

Typical retirement age versus best retirement age (in percent)

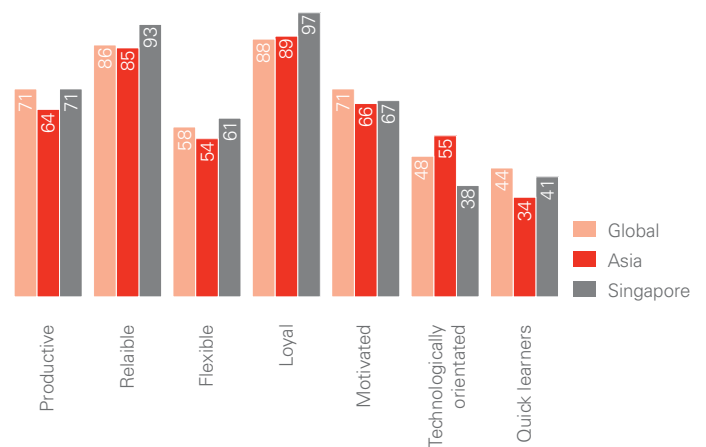


Source HSBC Future of Retirement Research 2006

4. How do older workers compare with younger ones?

Employers in Singapore see older workers in a very positive light, and their loyalty is particularly prized. However, their technological skills are rated much less highly by employers in Singapore than by their counterparts elsewhere in the region and globally.

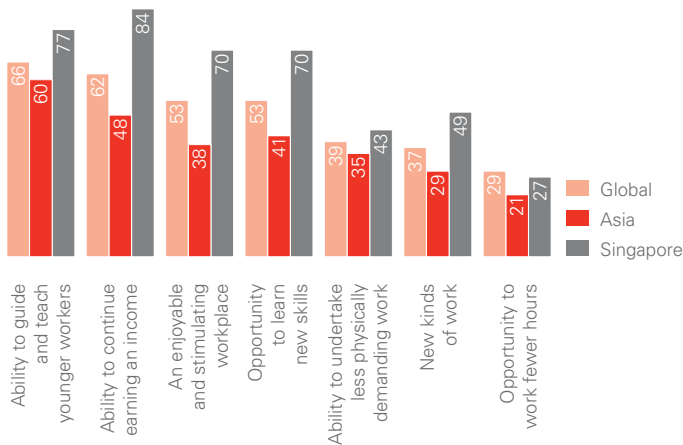
Proportion of employers who view older workers as more loyal, reliable etc... (in percent)



Source HSBC Future of Retirement Research 2006

Singaporean employers are more likely than others in the region to offer opportunities to their older workers. A stimulating workplace, new kinds of work and the chance to learn new skills are all much more commonly offered in Singapore than elsewhere.

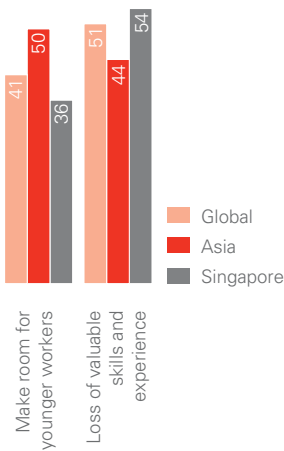
What opportunities employers currently offer older workers (in percent)



Source HSBC Future of Retirement Research 2006

Employers in Singapore are also different from others in their region in that they are more likely to see the loss of older workers as a loss of valuable skills than as a way of making room for younger workers. In this, Singaporean employers are more like those in advanced economies such as the USA, Germany and the UK.

How employers view the retirement of older workers (in percent)



Source HSBC Future of Retirement Research 2006

By far the most common reason given by employers in Singapore for not doing more to attract or retain older workers is that the issue is “not urgent” – 58% gave this reason, compared with 33% globally and 29% in the region as a whole. However, almost 80% encourage older workers to continue working.

5. Do employers and employees think alike?

In Singapore, 56% of employers have no mandatory retirement age – less than the 63% global average, but more than the regional figure of 46%. However, 78% of Singaporean employers say that people should be able to go on working to any age, so long as they are still doing a good job – higher than the global proportion (72%) and the regional one (63%). In their opinions, if not quite in their practice, employers are fairly close to ordinary Singaporeans.

As in other countries, more employers than ordinary individuals believe the government should bear most of the cost of supporting people in retirement. In Singapore, this is still a small proportion – 14%. There is no confidence gap: all those who believe the government *should* pay for retirement also believe that it *will*.

Ten times the proportion of Singaporean employers as of individuals believe that employers should bear the cost of retirement – 10% compared with 1%.

Increasing the retirement age as a means of paying for retirement is the preferred option among employers (40%), just as it is among individuals. However, almost as many (39%) support government-enforced savings.