

The Future of Retirement

What the world wants

Media factsheet – Turkey

In Turkey 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

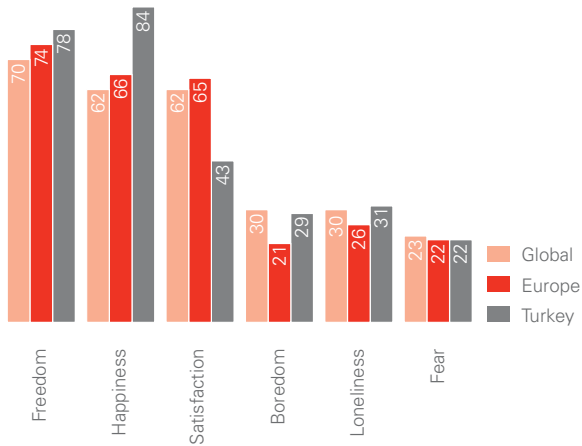
- Turkish people are likely to see retirement as a period of rest and relaxation.
- However, many plan to engage in a whole range of activities in retirement, including travel, education, hobbies and voluntary work.
- Turkish people are much more inclined than those in any other country to believe that their government should fund their retirement.
- Many expect to live with their children in retirement and to rely on them for living and medical expenses.
- In contrast to people in most other countries, the largest proportion of Turks believe that retirement should be determined by age.
- Turkish employees are considered “older workers” when they reach the age of just 44.
- Asked why they might work beyond the normal retirement age, Turks are much more likely than the global average to mention the need for money.
- Of employers in the 20 countries surveyed, those in Turkey are the most negative about older workers.

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

1. What is retirement?

The Turks are as positive about retirement as people in other countries, associating it much more with freedom and happiness than with boredom, loneliness and fear.

What individuals associate with retirement (in percent)

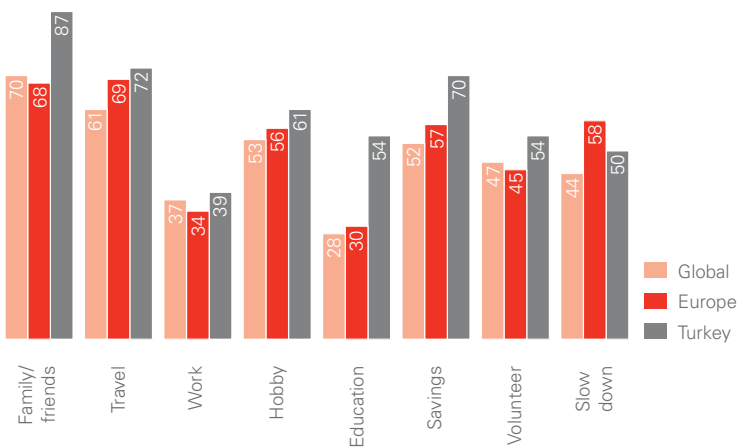


Source HSBC Future of Retirement Research 2006

Turkish people are even more likely than those in most other transitional economies to see retirement as a period of rest and relaxation. Half plan to slow down and the majority want to spend more time with family and friends.

Despite their preference for rest and relaxation, more Turkish people than the European or global averages also plan to use their retirement for a whole range of other activities, including travel, education, hobbies and voluntary work.

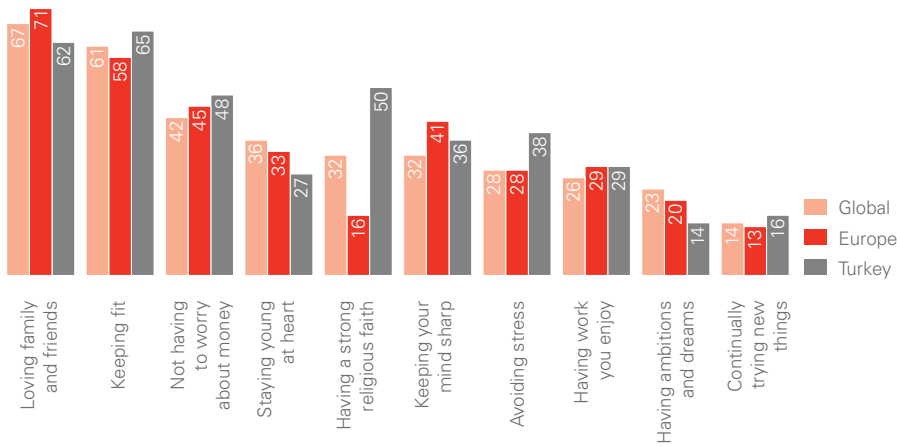
How individuals would like to spend most of their time in retirement (in percent)



Source HSBC Future of Retirement Research 2006

As elsewhere, family, friends and fitness are considered important to a happy old age, but Turkish people are also likely to stress the importance of religious faith.

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

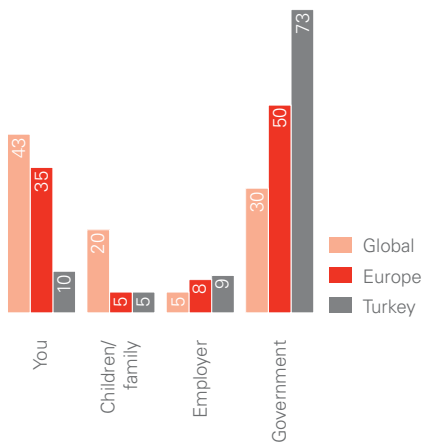


Source HSBC Future of Retirement Research 2006

2. How will we pay for retirement?

Turkish people are much more inclined (73%) than those in any other country to believe that their government should bear most of the cost of their retirement.

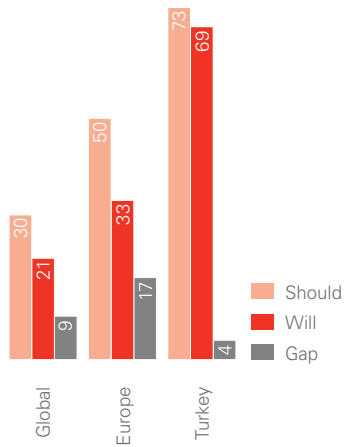
Who individuals think should bear most of the burden of supporting them in retirement (in percent)



Source HSBC Future of Retirement Research 2006

And unlike in many other countries, Turkey has a very small confidence gap: those who believe that the government *should* fund people's retirement are confident that it *will* do so.

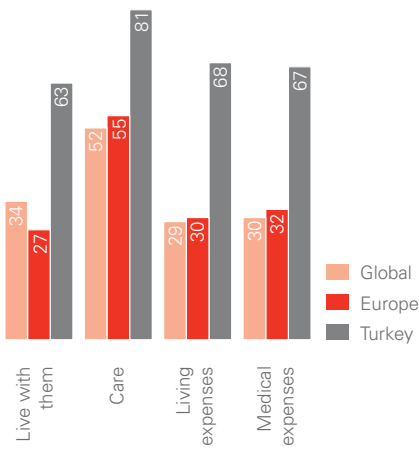
The gap between proportions of people thinking that governments should / will finance ageing populations (in percent)



Source HSBC Future of Retirement Research 2006

Compared with people elsewhere, many more Turks say that they expect to live with their children in old age and to rely on them for living and medical expenses.

How individuals expect to rely on their children in their old age (in percent)



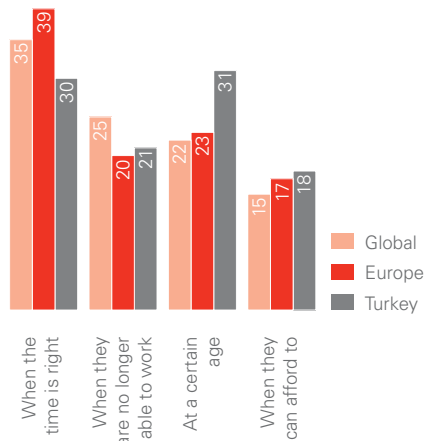
Source HSBC Future of Retirement Research 2006

Turks are less likely than the global average to favour compulsory savings as their government's primary means of supporting the ageing population, and more inclined to favour a later retirement age.

3. When should we retire?

In most countries there is almost universal support for the idea that people's desire and ability to work should determine when they retire. Turkey, along with Russia, is an exception to this: the largest proportion believe that retirement should be determined by age.

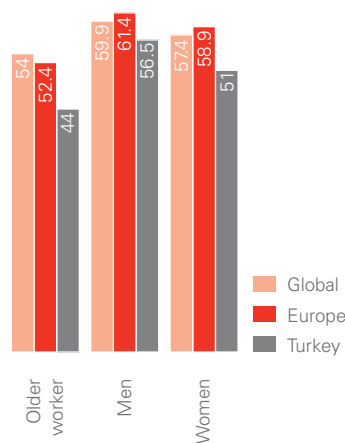
When individuals would choose to retire? (in percent)



Source HSBC Future of Retirement Research 2006

Turkish people believe that men and women should retire relatively young – men at 56 and women at 51 – and employers consider them to be “older workers” at the age of just 44: ten years younger than the global average.

Typical retirement age versus best retirement age (in percent)



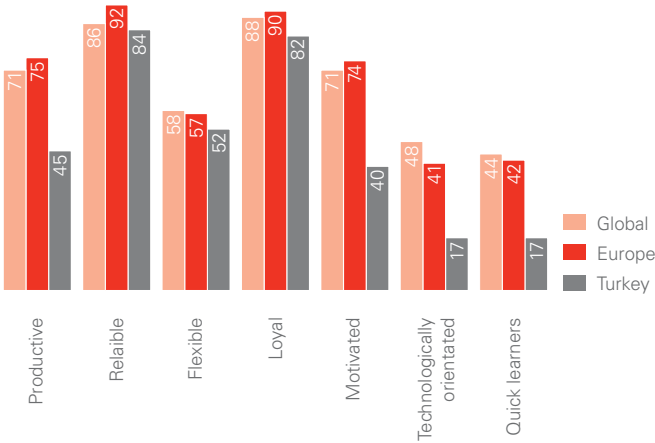
Source HSBC Future of Retirement Research 2006

Asked why they might work beyond the normal retirement age, Turks are much more likely than the global average to mention money. This may explain why more Turkish people than those anywhere else see themselves working full-time in their later years.

4. How do older workers compare with younger ones?

Of employers in the 20 countries surveyed, those in Turkey are the most negative about older workers. They are much more inclined to see the loss of older workers as a positive – it makes room for younger workers – and fewer than half say that older workers are as productive or as motivated as younger ones.

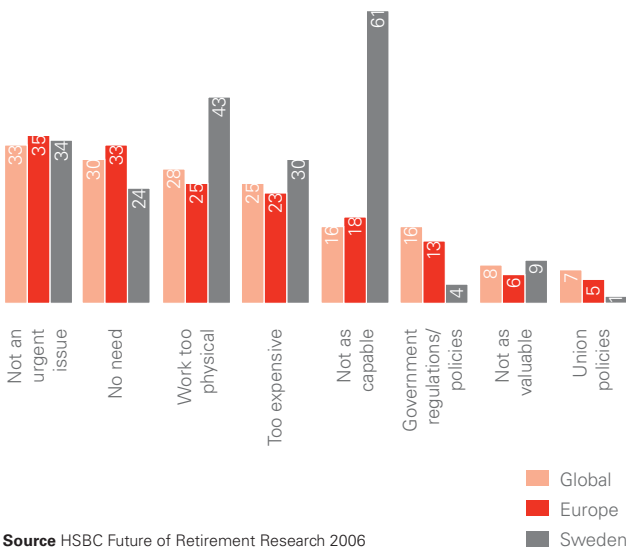
Proportion of employers who view older workers as same / more loyal, reliable etc... (in percent)



Source HSBC Future of Retirement Research 2006

Asked why they don't do more to attract older workers, Turkish employers are nearly four times as likely as the global average to say that older workers are not as capable.

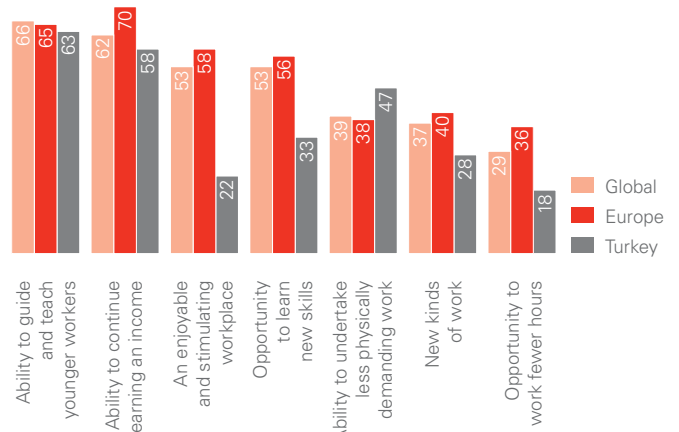
Employers' reasons for not doing more to recruit older workers



Source HSBC Future of Retirement Research 2006

Not surprisingly, perhaps, Turkish employers tend to offer their older workers fewer opportunities than employers elsewhere, though they are more likely to offer less physically demanding work.

What opportunities employers currently offer older workers (in percent)



Source HSBC Future of Retirement Research 2006

5. Do employers and employees think alike?

In most countries the proportion of individuals who believe that people should be allowed to continue working for as long as they are able to do the job well is greater than the proportion of employers who believe this. In Turkey the situation is reversed: 74% of employers believe this, but only 60% of ordinary people agree. More practically, 92% of employers say they have no mandatory retirement age, compared with just 67% in Europe as a whole.

In most countries, employers are considerably more likely than the public to believe that they should be responsible for funding their employees' retirement. But in Turkey the two are almost equally unlikely to hold this view, with 7% of employers and 9% of the public saying that paying for retirement should be the employers' responsibility.

Turkish individuals are very likely to think that their government *should* and *will* bear most of the cost of their retirement. Turkish employers are even more inclined to think this. In fact more believe that the government *will* bear these costs (79%) than believe it *should* (74%).