

# The Future of Retirement

The new old age

## South Africa

HSBC's third annual Future of Retirement survey of older people, work and retirement, reveals a 'new old age' in South Africa and dispels the myth that old people are a burden to society. South Africans contribute 2.7 billion Rand in income tax and 595.7 million Rand in voluntary work. In South Africa we find that families are central to later life, with grandparents playing a significant role. Many older people are active, contributory adults who provide a significant amount of practical support to their families. In South Africa, a total of 1010 people aged 40-79 years were interviewed.

### Older people make an enormous contribution to society as volunteers, workers and family members

#### Voluntary Work

The voluntary contribution to communities is modest at one in ten (10%) amongst all age groups. The average number of hours per week spent on voluntary work ranges from 5.2 hours for 40-49 year olds to 4.2 hours for 50-59 year olds and 4.3 hours for 60-79 year olds.

#### Financial Support

More than a third (35%) of 70-79 year olds and four out of ten (43%) of 40-49 years olds have **provided** financial support to a relative or friend during the previous 6 months. However, the proportion of the age groups in South Africa **receiving** financial support from a relative or friend ranges from a quarter (26%) of 40-59 years olds to four out of ten (43%) 60-69 years olds.

#### Practical Support

In South Africa, three out of ten (30%) respondents have **provided** support to a relative or friend during the previous 6 months. The proportion of older people in South Africa **receiving** practical support from a relative or friend increases from a third (32%) of 40-59 year olds, to half (50%) of 60-79 year olds.

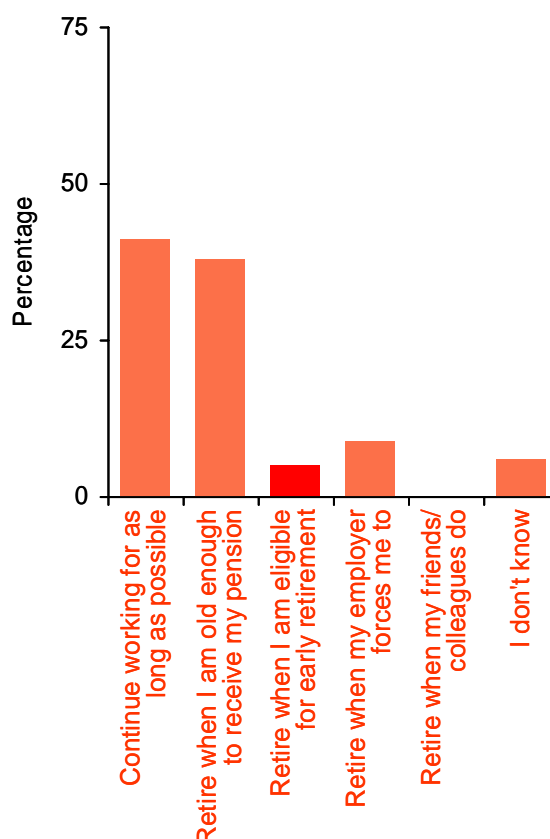
#### Personal care

In South Africa, one in ten (10%) have **provided** personal care, with between one in twenty (6%) of 40-59 year olds and a quarter (24%) of 70-79 year olds receiving this form of support.

#### Working past traditional retirement age

One in ten (9%) of the oldest age group have some form of paid work, whilst this is true for nearly a quarter (23%) of 60-69 year olds, more than half (55%) of the 50-59 year olds and just less than three quarters (72%) of the youngest age group.

**Globally, early retirement is not an option many working people aged 40-59 expect to take**



# The Future of Retirement

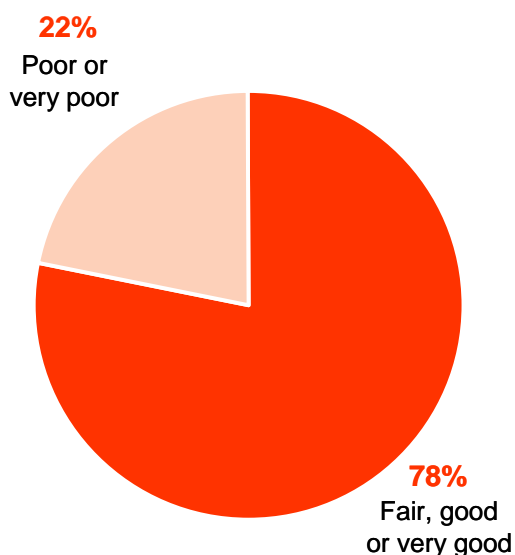
*The new old age*

**70 is the new 50 – older people are healthy, active and in control of their own lives to a much later age**

## **“In good health”**

In South Africa, a third (33%) of 70-79 year olds and more than three quarters (76%) of 40-49 year olds feel in good or very good health.

**Those aged 60-79 years old predominantly describe themselves as being in fair, good or very good health**



## **“Life is full of opportunities”**

At less than the global average, but still notable, more than a third (34%) of 40-49 year olds feel that *life is full of opportunities*, increasing to nearly two in five (39%) of 50-59 year olds. Around one in three (29%) of 60-69 year olds and a quarter (24%) of 70-79 year olds feel this positive.

## **“I feel able to do the things I want to”**

Large proportions of respondents *feel able to do the things they want to do*. More than half (52%) of 40-49 years olds feel this way, falling slightly to just less than half (48%) of 50-59 year olds, and more than a third (38%) of 60-79 year olds.

## **“Everything is too much effort”**

In South Africa, nearly half (45%) of 40-49 year olds feel *almost none of the time or never that everything is too much effort*, compared with a third (37%) of 70-79 year olds.

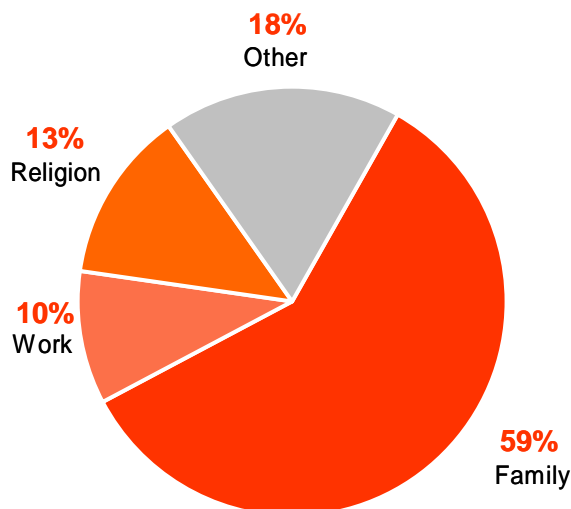
## **“Looking forward to the future”**

In South Africa, two thirds (68%) of 40-59 year olds are almost all of the time/most of the time *looking forward to the future*, compared with just more than half (56%) of 60-69 years olds and just less than half (49%) of 70-79 year olds.

## **Families define who we are**

In every age group when asked “when you think of who you are, you think mainly of...” the largest response was **my family**. In South Africa, approximately two thirds of all respondents agreed.

**When people are asked what they think in terms of who they are, a large majority say ‘my family’**



The majority of people feel it is the duty of a parent to do their best for their children even at the expense of their own well-being. In South Africa, the proportion in agreement decreases from 81% to 70% with increasing age. Moving down a generation, seven out of ten (70%) of 70-79 year olds and more than four in five (83%) of 60-69 year olds feel it is the duty of grandparents to be there for their grandchildren in times of difficulty.

# The Future of Retirement

*The new old age*



## The retirement experience exceeds expectations

**Missing feeling useful** is a fear before retirement, but this does not manifest itself to the same extent after retirement. A quarter (25%) of pre-retirees expects to miss the feeling of being useful, compared with a fifth (21%) of post-retirees who actually do so.

**The fear of not being able to cope financially** after retirement is felt by only a relatively small proportion of pre-retirees, and the same is true for post-retirees. More than a third (35%) of pre-retirees, and just less than a third (31%) of those in post-retirement are not worried.

**Workplace factors** that individuals state they will miss on retirement can be compared pre and post retirement. We can draw up an index of expectation versus experience. If the index is greater than 1, then experience is better than expectation. In South Africa (index 1.14) experience is more positive than expectation in respect of missing aspects of the workplace and of work.