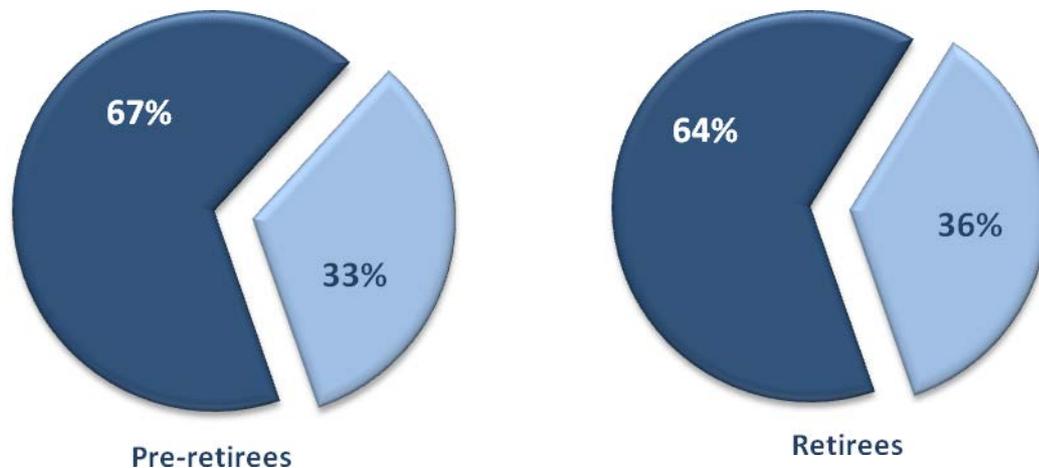


Financial concerns among National Seniors Australia members

A sample of NSA members was asked whether they were concerned about certain risks that could impact on their future financial wellbeing.

Of the risks considered, NSA members are most concerned *that inflation will erode the value of their savings*, with almost two-thirds of respondents expressing concern. This was the case for both retirees and pre-retirees, and was also of most concern when a similar question was asked to US respondents in a 2009 Society of Actuaries (SOA) survey.

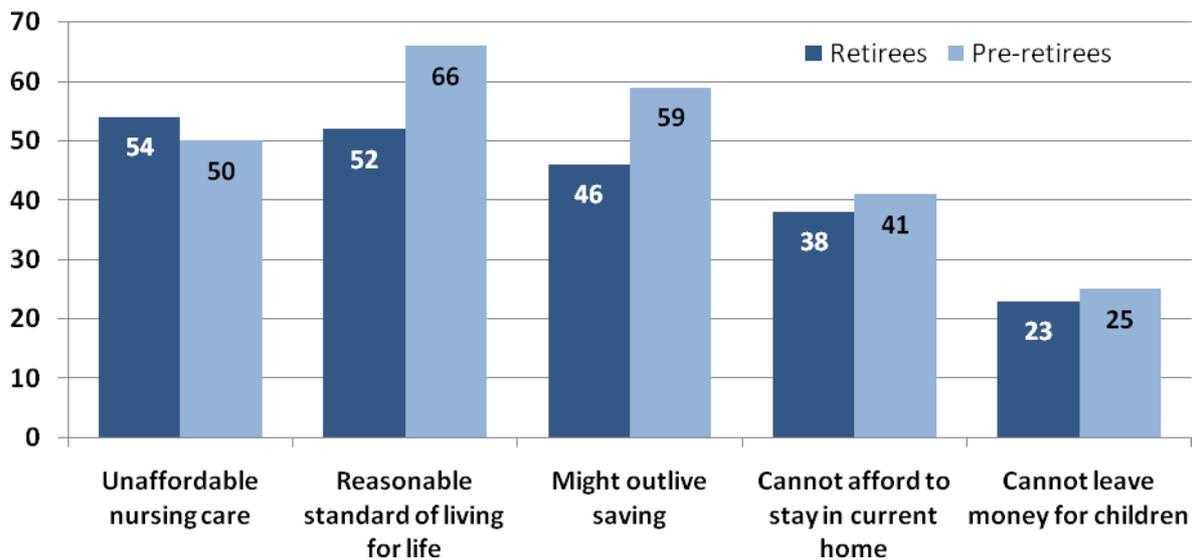
Very or somewhat concerned that savings not keeping up with inflation by retirement status



In contrast, few are concerned that they might not be able to leave money for their children (23 per cent and 25 per cent for retirees and pre-retirees respectively).

For some risks, the level of concern differed markedly by retirement status:

Percentage financially concerned by retirement status



These differences are not surprising, as retirees have shorter lives over which their remaining wealth must last compared with pre-retirees.

A deeper look at the responses about ‘outliving saving’ reveals that those who are least financially literate and least financially engaged (i.e., who never consult with financial professionals) are the same respondents who are the least concerned about outliving their savings! Perhaps ignorance is indeed bliss.

This issue of ‘Facts and Figures’ is based on a survey conducted by researchers at the Australian National University in collaboration with National Seniors Australia, AMP and Rice Warner Actuaries. The survey was financed through an Australian Research Council Linkage Grant.