PRESS RELEASE

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Widespread worry in Europe about having enough money to retire, ING survey shows; fear most pronounced in Euro crisis hotspots Italy and Spain

There is widespread worry in Europe about having enough money to retire, a major new survey by ING shows, with most fearful countries among those that are most under pressure amid the Euro crisis.

More than half – or 52% – of Europeans in the ING International Survey (IIS) on Pensions and Long Term Savings who have not yet retired are worried about having enough money to do so. These fears are most pronounced in Spain, Italy and France, where 73%, 65% and 63% respectively are worried or very worried about having enough to retire.

The IIS is a quarterly survey that aims to get a better understanding of how people spend, save, invest and feel about money. The IIS on Pensions and Long Term Savings polled more than 12,000 people in 12 countries in Europe on a wide range of topics related to savings and retirement, with a 17-page presentation of the results available at www.ezonomics.com/iis_retire.

ING senior economist Ian Bright, lead author of ING International Surveys, says reforms in Italy and Spain to increase state pension ages and cut other public benefits could well be feeding the unease about retirement preparedness in these Euro crisis hotspots, particularly among the young.

“Spain demonstrates these growing concerns very clearly. There the current retirees are the most comfortable in retirement and in our survey the majority earn at least 60% of the amount they were making at the end of their time working. But it is a different story for those wanting to retire in years to come,” said Bright.

“This measure of worry over having enough is important as it assesses individuals’ feelings about their overall preparedness, not just feelings about their private provision.”

France – one of the stronger Eurozone economies during the Euro crisis – is the most surprising inclusion in terms of fears over having enough money to retire.

Bright says it is likely the French are uncertain because state pensions were a hot election issue.

Not only are Italy, Spain and France the most worried about having enough to retire, they also have the lowest penetration of non-compulsory pensions in the survey. A non-compulsory pension is defined as money the respondent or their employer puts into a pension above the compulsory amount required by their government. Overall 40% of respondents in the survey who have not retired have a non-compulsory pension and the rate dropped to 29% in Italy and Spain and 32% in France.

Bright said the low non-compulsory pension penetration in France was less surprising than the high amount of worry given the tendency to invest in property and life insurance there instead.

For more about the ING International Survey on Pensions and Long Term Savings, including a 17-page presentation of the results, please visit www.ezonomics.com/iis_retire.

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