



Large Majority of Americans have written off public pension sources as their retirement mainstay

Ipsos study also shows retirees aren't counting on kids or own homes to bail them out in old age

New York, NY, April 18, 2005 – Most Americans have written off public pension sources as their retirement mainstay, but they're not alone in the world. This assessment is shared by large majorities in countries such as Australia, South Korea, and Mexico that have weathered a succession of shocks to their economies and currencies in recent years, according to new findings from Ipsos, the global survey-based marketing research firm and a leading provider of marketing research to financial services companies.

To find out what citizens around the world are thinking about how they'll fund their old age, Ipsos's global reporting service, **World Monitor**, surveyed adults in 11 countries—Australia, China, France, Germany, Italy, Japan, Mexico, Spain, South Korea, the United Kingdom, and the United States—late last year. Ipsos asked citizens to pick from a variety of sources they deemed most likely (first and then subsequent mentions) to finance their retirement years: a pension from the government, a private pension from company/employer, personal retirement savings, support from children or relatives, or ownership of a house, land, or real estate.

The Ipsos study found that Americans are the least likely to expect their public Social Security system to see them through retirement, and are among the most likely to expect to draw on their own savings. Meanwhile, although Europeans may be the most likely to count on having a government pension for their old age, this expectation is wearing thin among younger population cohorts.

"Where people are losing confidence in public and private pensions and resigning themselves to the likelihood that their savings are going to be the main funds for their retirement years—something that is clearly happening in America but also elsewhere—there is an opportunity and a real need for financial institutions to step up and help them plan. Factors like longevity, health costs, and interest rates will all affect the amount of funds people will need to accumulate prior to retirement—and financial institutions can play an important role in helping the public understand these," said Doug Cottings, Senior Vice President and head of the Financial Services Practice at Ipsos-Insight, the company's flagship marketing research division in the U.S.



Sample Study Highlights

- Europeans are among the most likely to count on having a government pension for their old age; a majority of Spaniards (67%) and Italians (56%) and half of Germans (49%) mentioned public pensions as their single most likely source of support in their old age
- The British and French publics are more skeptical—only 4 in 10 French (40%) and one-third (34%) of Britons mentioned public pensions first as their mainstay in old age.
- The under-35-year-old age group in Europe were 3 times as likely as were those aged 55+ to mention retirement savings first (21% vs. 7%, respectively).
- Half of urban Chinese (51%) chose public pensions first, as did nearly that many Japanese (46%).
- Fewer than 1 in 5 South Koreans and Australians (19% each) mentioned public pensions first.
- Americans are the least likely surveyed nationality to expect their government to be the mainstay of their old age—only 17% named public pensions as their first source.
- Houses or real estate aren't perceived as primary retirement assets in many places. Even in markets like Australia that have experienced significant surges in home prices, barely 1 in 10 people think about cashing in on their real estate property.
- Nor do many people count on their children or relatives to provide for them. The stereotype of Asian families caring for their elderly doesn't quite square with actual expectations: just over 1 in 20 (6%) of urban Chinese expect their family to be their primary support in their golden years, while almost no Japanese had any expectations of this kind.



The World Monitor Research Methodology

The data presented in this alert come from an *Ipsos World Monitor* survey conducted in Australia, China, France, Germany, Italy, Japan, Mexico, South Korea, Spain, the United Kingdom, and the United States between the dates of November 12 and December 10, 2004. Samples in nine of the 11 countries were national; while in China and Mexico they were urban-only. Telephone interviewing was used for the national samples, and in-person interviewing was used for the urban samples. World Monitor typically has sample sizes of 500 in each national market; 1,000 in the United States. For countries with the samples of 500, the margin of error can be said to be within ± 4 percentage points. For the U.S. sample of 1,000, it would be ± 3 percentage points.

For further information on *Ipsos World Monitor*, please contact [Kiley Turner](#) or visit www.ipsos-na.com/wm.cfm.

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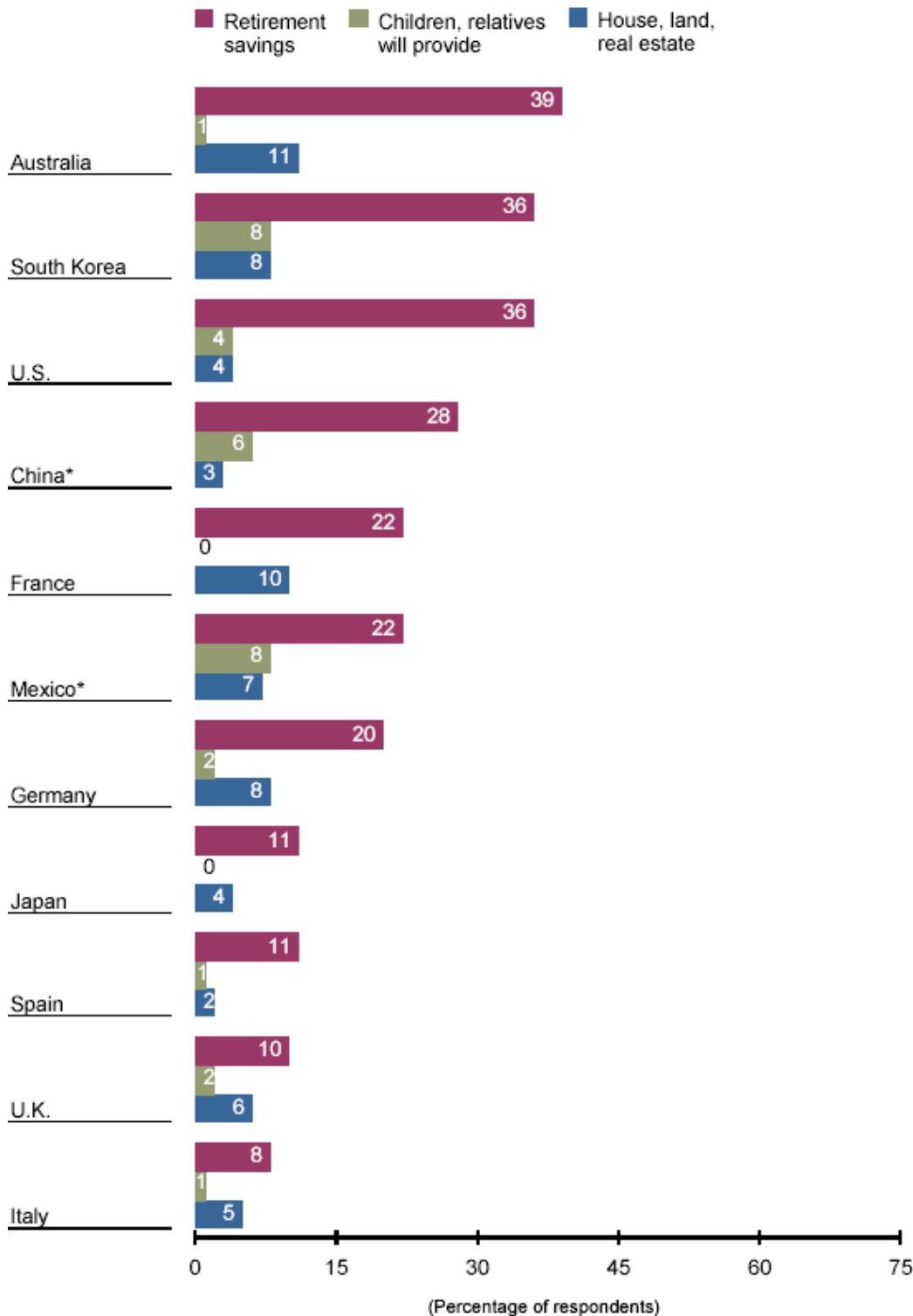
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Old Age Support: Sources Other Than Pension Plans

– First Mentions

"When you are too old to work, what do you expect to rely on to support yourself ... own retirement savings; children, relatives will provide; own a house, land, real estate?"



* Urban-only samples.