

**Institute of
Policy Studies & Retirement Commission**



**Retirement Income Policy Conference
Holiday Inn Wellington
22nd July 2010**

Retirement expectations

Alison O'Connell

**Retirement Income Policy and
Intergenerational Equity Conference
Wellington, July 2010**

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How long do New Zealanders expect their retirement to be?

- ANZ-Retirement Commission Financial Knowledge survey, March/April 2009.
 - 850 adult New Zealanders
 - Margin of error =/- 3.4%
- Questions added on Subjective Life Span (SLS) and intended retirement age
- Extends international work on SLS

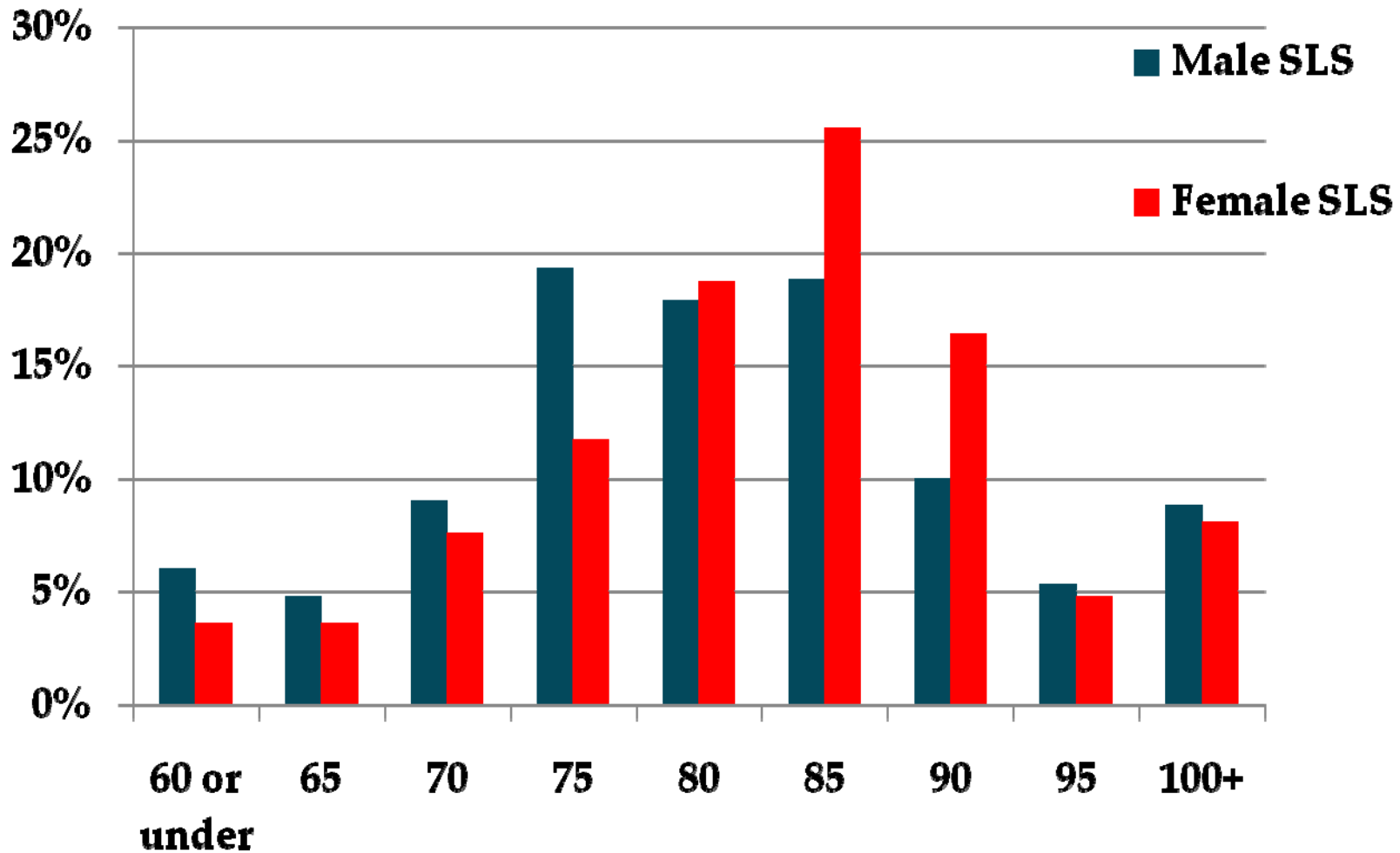
SLS: about more than retirement

**Given age I might live to some or
a lot of thought**

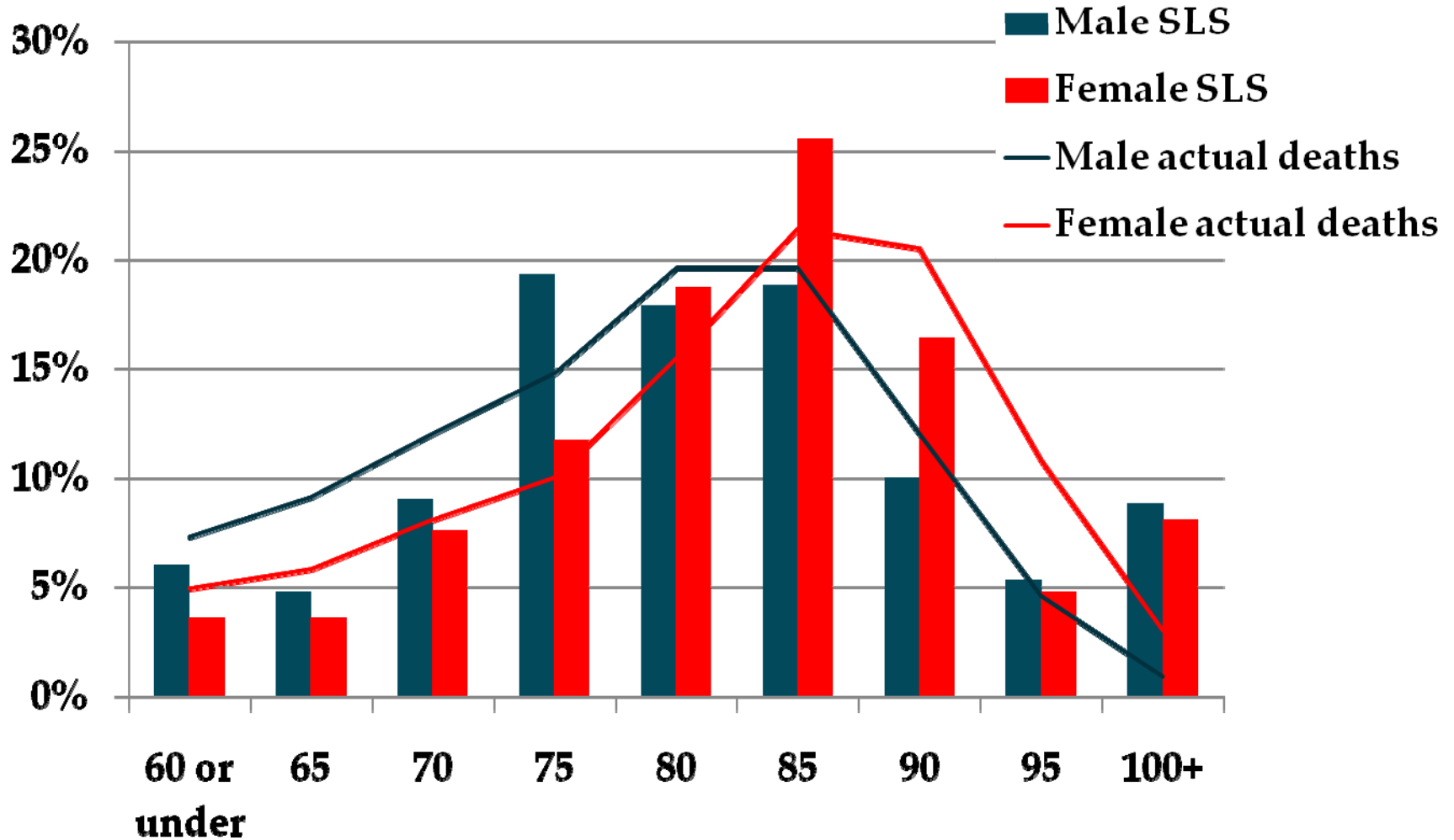


69.5%

SLS: the distribution



SLS: compared to actual deaths



Actual deaths 2009, Statistics New Zealand, 100%=deaths over age 57.

SLS: under- and overestimation

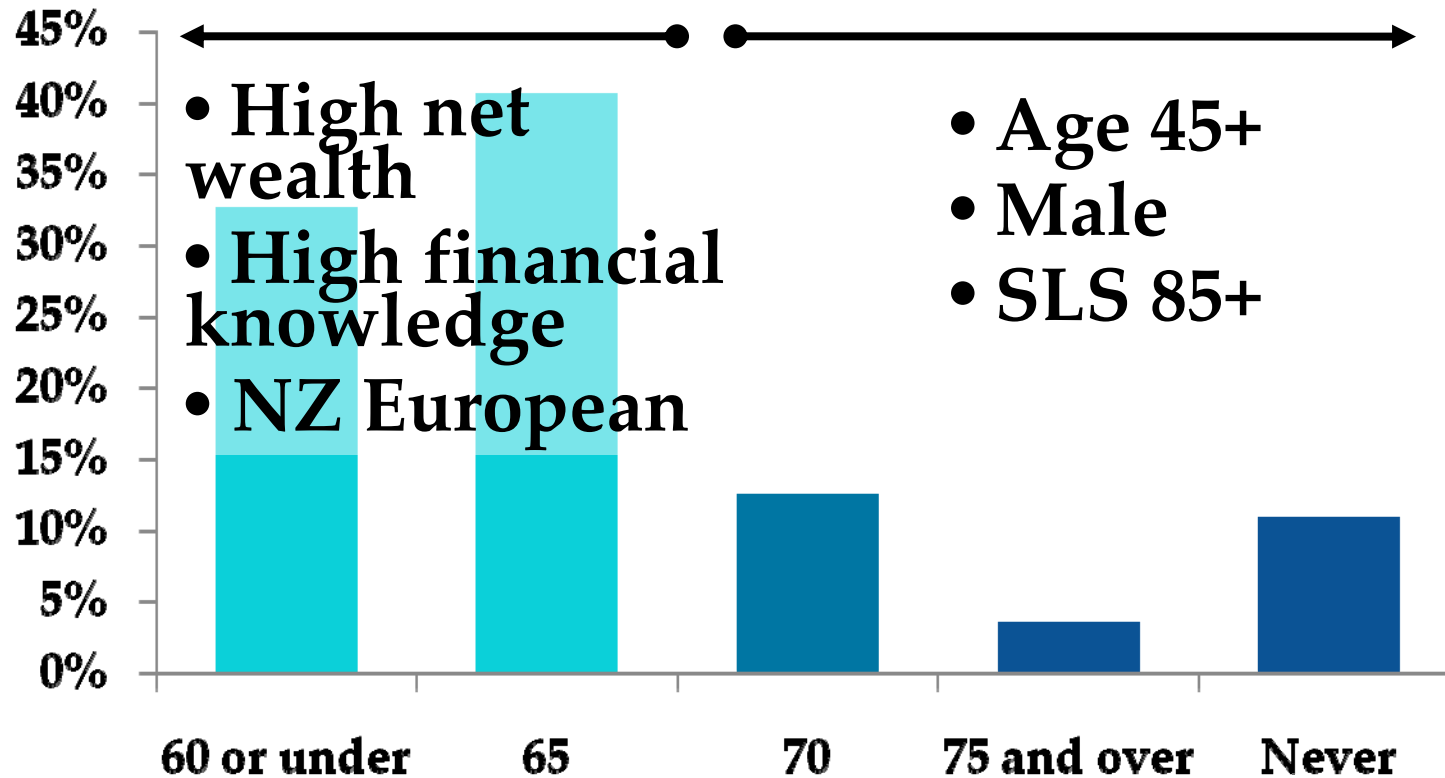
Compared to official statistics ($x+e_x$)



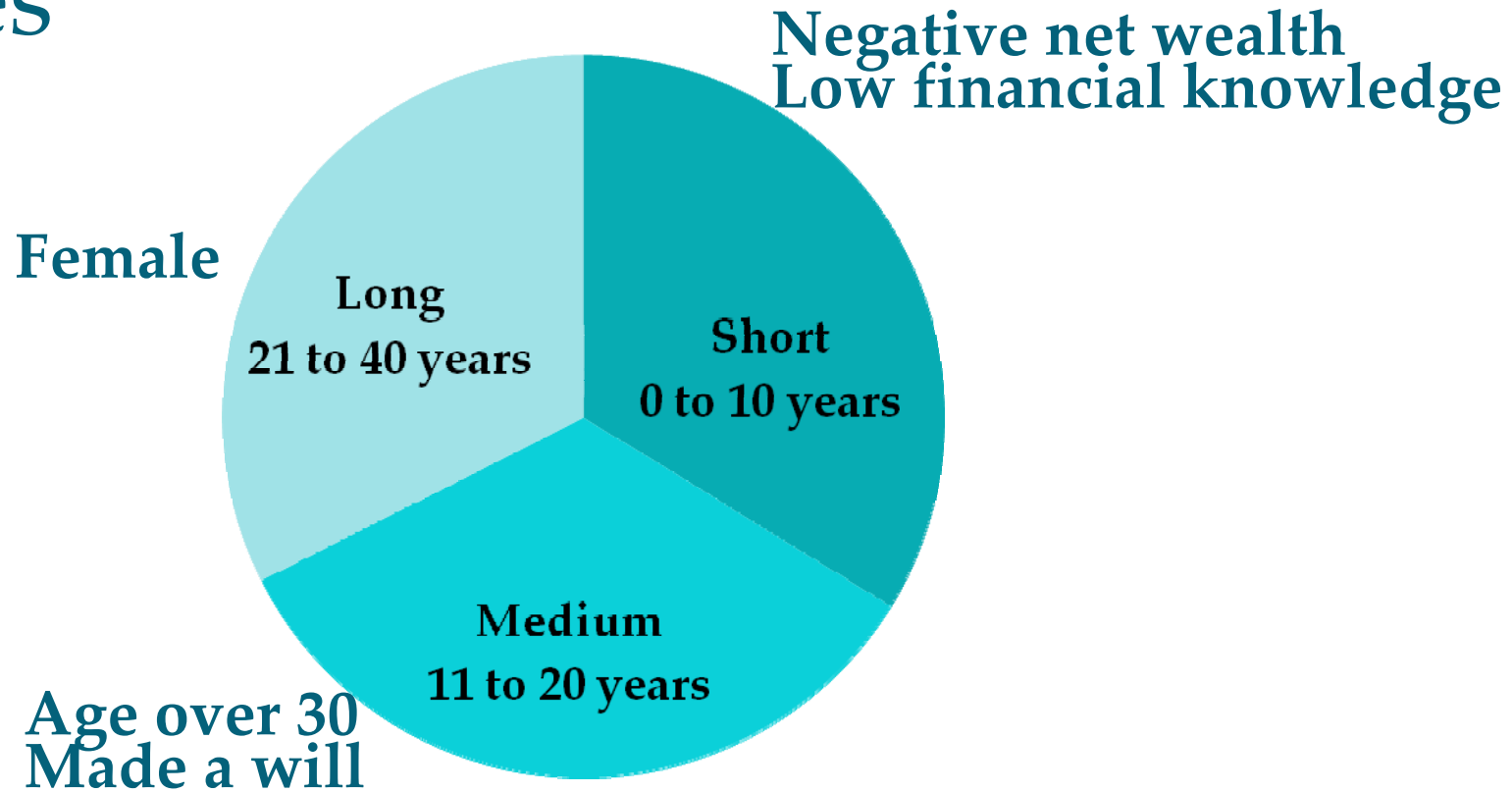
Life table data from Statistics New Zealand. Period table 2005-7.

Likely retirement age

Estimated percentage of working population



Implied length of retirement: tritiles



Policy considerations

1. Helping New Zealanders plan with realistic assumptions on:
 - Retirement age
 - Lifespan
 - Length of retirement
2. Ensuring policy planning uses realistic range of assumptions