

Concern over retirement woes

Survey cites lack of financial planning among S'poreans

By **ZEINAB YUSUF SAIWALLA**

DESPITE having a higher level of savings and investments than their counterparts from most other countries, Singaporeans are still relatively worried about their retirement, according to results from Aviva's Consumer Attitudes to Saving (CAS) survey released yesterday.

The survey found nine out of 10 respondents from Singapore (92 per cent) confirmed that they have some form of savings and 65 per cent have put their money into investments. Despite that, 57 per cent of respondents were worried that they will not have enough money when they retire to provide an adequate standard of living.

Furthermore, the study which surveyed 1,000 nationally representative adults aged 18 and above, also found that 49 per cent of Singaporeans felt that they would have to work beyond the usual retirement age to fund their retirement.

Singaporeans are significantly ahead of respondents from India (64 per cent), UK (66 per cent) and USA (70 per cent) when it comes to savings, only falling slightly behind China where 96 per cent of respondents confirmed that they have some form of sav-

ings. However, a similar level of worry was seen across the nine other cities where the survey was conducted.

Explaining the global trend of worry in relation to retirement, Nishit Majmudar, CEO of Aviva Singapore, said: "The decreasing interest rates and return on savings, as well as the increasing life span and cost of living are reason why planning for retirement is becoming very difficult.

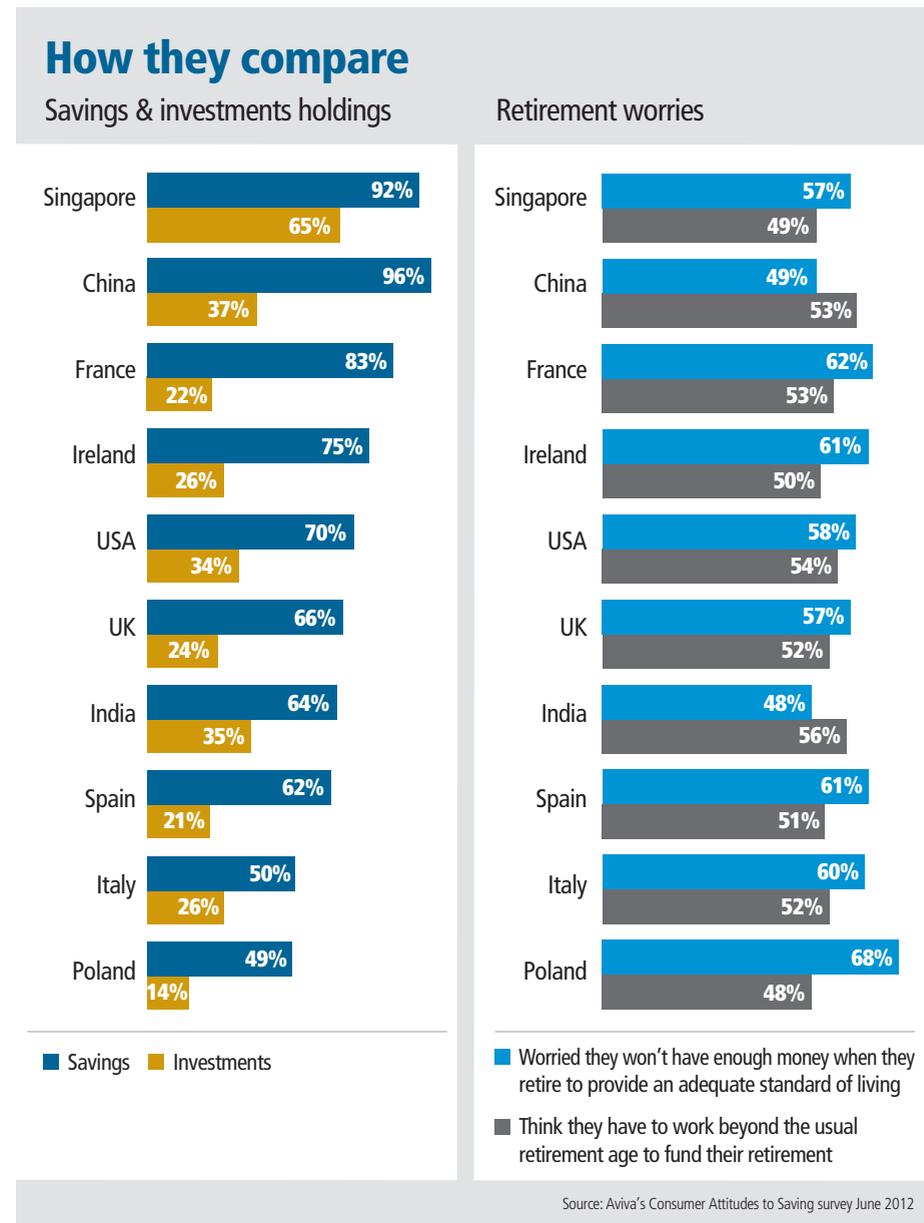
However, Mr Majmudar also believes that the general sense of worry is in part due to the lack of active financial planning on the part of Singaporeans.

The survey, which is conducted three times a year, also found that 27 per cent of respondents between the age of 35-54 are taking an unstructured approach to financial planning and 15 per cent of them have still not thought about or do not know how much they need for their retirement.

"In Singapore, retirement targets are constantly moving due to inflation. It is tough and consumers must recognise that there is actually little room for mistakes," Mr Majmudar explained.

Mr Majmudar noted that the lack of financial planning could be in part due to an innate averseness amongst Singaporeans towards disclosing assets.

As such, he stressed the importance of expert ad-



vice but added that although expert advice leads to better financial planning, it is not a guarantee.

"Good advice does not mean that it always turns out correctly but the chances of you having enough money are much higher," Mr Majmudar said.