



AEGON

Center for
Longevity and
Retirement

The Aegon Retirement Readiness Survey 2016



Retirement Preparations in a New Age of Self-Employment

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Foreword

Self-employment plays a vital role in economies around the world. Found in almost every industry, the self-employed are often key drivers of innovation and wealth creation.

The traditional labor market has evolved in recent years with more employers engaging the talent they need on a contract basis rather than hiring full-time employees¹. At the same time, technology innovations have facilitated what is commonly referred to as the “gig economy”. Digital marketplaces like Uber and TaskRabbit enable people to work for themselves in a manner that suits their schedules, either in a full-time or a part-time capacity.

The self-employed comprise an increasing percentage of the workforce, especially in emerging markets, where there may be fewer opportunities in the formal sector than in developed economies. In China, the number of self-employed people nearly doubled to around 120 million in the decade up to 2015². In Brazil³ and Turkey⁴, as many as one-in-three people are self-employed. By comparison only 6.5 percent of U.S. workers are self-employed⁵.

At a time of rapid technological advances and societal changes, the increasing prevalence of the self-employed not only represents a change in how people work, it also calls for changes in how people save, invest, and plan for retirement.

Most countries rely on a three-pillar retirement system: 1) government benefits such as social security; 2) employer-sponsored, or occupational, benefits; and 3) personal savings. The expansion of retirement systems to become more inclusive of the self-employed is increasingly important given the growth in self-employment.

What solutions can be provided that can evolve with a self-employed person’s financial needs and circumstances, while providing flexibility and security or so-called *flexicurity*? A new template that is based on flexicurity could help retirement systems become more socially inclusive and sustainable, and simultaneously help this highly dynamic segment of the workforce become more prepared for retirement.

Retirement Preparations in the New Age of Self-Employment provides research-based insights from 15 countries spanning Europe, the Americas, Asia, and Australia, and outlines recommendations for improving the long-term financial security of the self-employed.

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Introduction

The term “self-employed” covers a broad range of the working population, including freelancers, contractors, sole-proprietors, and small business owners working for themselves and employing others. While many of the self-employed may have worked for employers in the past, for a variety of reasons they now work independently.

Despite the prevalence of the self-employed globally, in many countries, there is not yet a standard blueprint or template for them to prepare for retirement and build their future retirement income.

Unlike workers in traditional working arrangements, the self-employed are presented with unique challenges in terms of retirement planning. Many have irregular incomes which makes it difficult to save on a regular basis. For the self-employed, saving for retirement often requires a do-it-yourself approach.

Because they are self-employed versus working for an employer, they likely miss out on employer-sponsored retirement benefits, retirement plan contributions, and nudges to save for retirement (e.g., automatic enrollment). They also miss out on a wide range of other employee benefits that can help mitigate financial emergencies and protect savings, such as life and disability insurance, private health insurance, paid sick leave or paid vacation leave offered through the formal workplace.

In some countries, the self-employed may not even be entitled to full access to government retirement benefits.

The objective of this report, ***Retirement Preparations in the New Age of Self-Employment***, is to provide insights into the retirement prospects of the self-employed and how they compare to those of employed workers. This report provides a portrait of the self-employed, shares their vision of retirement, and outlines their approach to (or lack of) retirement saving, planning, and investing. It also reveals the vulnerabilities among the self-employed and offers recommendations for helping improve their long-term financial security.

This report is a collaboration between the Aegon Center for Longevity and Retirement and the Transamerica Center for Retirement Studies. It presents findings from Aegon’s 5th Annual Retirement Readiness Survey (ARRS) and spotlights how the self-employed view and are preparing for retirement. The survey comprises 17,600 respondents, of whom 1,600 self-identify as being self-employed in 15 countries spanning Europe, the Americas, Asia, and Australia. The report also provides country-by-country comparisons of survey findings, key indicators, and examples of how self-employment is being supported through labor and employment practices and legislation.

Part 1: Who are the self-employed?

The term “self-employed” can mean different things to different people, so a common definition is helpful to fully contextualize the findings of this report.

According to Investopedia, one of the world’s leading financial education websites:

Self-employment is a situation where an individual works for himself instead of working for an employer that pays a salary or a wage.

A **self-employed** individual earns his income through conducting profitable operations from a trade or business that they operate directly.

This sounds straightforward but, in reality, self-employed workers can be found in a wide variety of industries, legal structures and practices – which can differ from one country to another. Self-employed people include sole proprietors, small or medium-sized business owners, micro-firm operators, partners in professional firms, freelancers, agency workers, and seasonal workers.

Chart 1 The self-employed can be broken into two broad groups



Definition: The sharing economy

An economic model in which assets or services are shared among private individuals, either for free or for a fee. The sharing economy is typically facilitated by the Internet as a convenient and low-cost distribution channel.

Definition: The gig economy

An economic model in which temporary positions are common and organizations contract with independent workers for short-term engagements. Workers, such as those working in construction or the taxi trade, might connect with their clients through shared digital platforms.

In developed countries, self-employment has been historically limited to a small minority comprising entrepreneurs, professionals, and people working in trades where self-employment was the norm. They typically became self-employed early in their working lives. Many have built businesses and created jobs for others. In doing so, they may have amassed business assets which could be used to help fund retirement.

In contrast, the barriers to accessing the formal labor market in emerging markets have often been high, creating the conditions for a substantial informal or “grey economy”. For example, in India, just over half the workforce is employed in the informal economy and could be classified as self-employed⁶. Working in the informal economy poses significant risks and involves drawbacks that limit a person’s employment stability, labor rights, access to employer and government benefits, and even their ability to successfully earn a living and prepare for their retirement and older age.

The growth of the gig economy, as part of the sharing economy, has added a new dimension to the self-employed. Innovations, including digital platforms, enable people to work for themselves with confidence that they will be able to source customers via online networks.

A portrait of the self-employed

Our survey finds that around two-thirds of self-employed people globally are working as sole proprietors. The remaining one-third are running businesses that employ other people.

According to the OECD, there is a gender difference in self-employment, with 18 percent of men compared to 10 percent of women earning their living as self-employed. This is attributed by the OECD to women’s lack of access to start-up capital and entrepreneurial training⁷.

Our survey findings are consistent with those of the OECD in that self-employed people are more likely to be men than women, with two-thirds of our survey participants being men. Our survey also finds that self-employed men are more than twice

as likely to employ others than self-employed women. Self-employed men are more likely to be entrepreneurs and innovators whereas for women globally², self-employment is more likely to be the result of a casual labor market.

Eighty-seven percent of the self-employed indicate that they previously worked for an employer and, on average, have been self-employed for 10 years. Compared to findings from our survey of traditionally employed workers globally² the self-employed typically earn less, with a median annual personal income of \$18,900 compared to \$21,400 among employed workers.

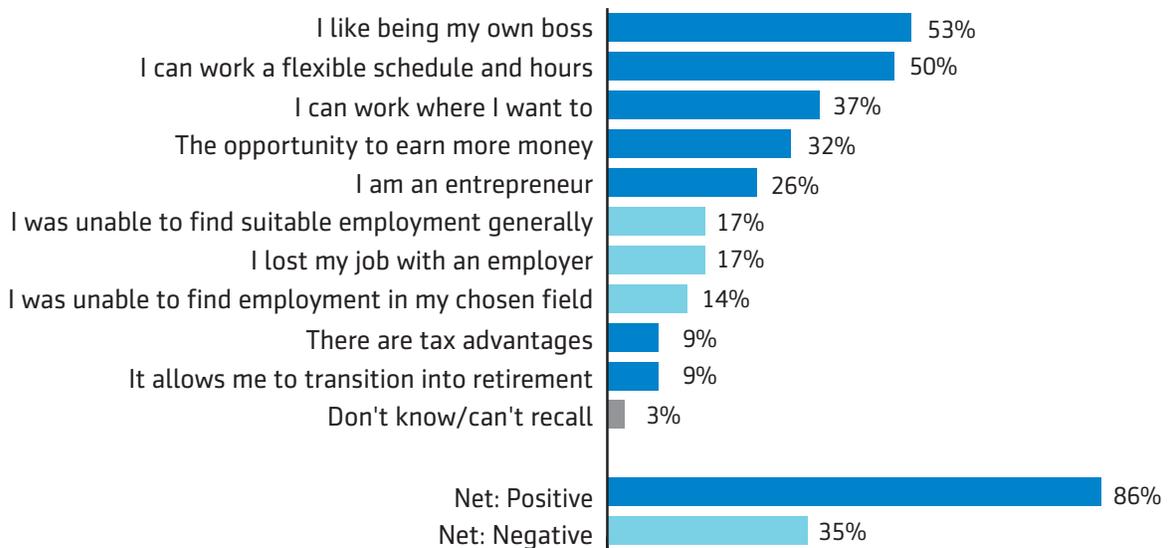
The reasons why people become self-employed are varied. Our survey found the most commonly cited reasons are: the appeal of being one's own boss (53 percent), having a flexible schedule and hours (50 percent), and the opportunity to earn more money (32 percent). A smaller group of survey

respondents cited negative reasons such as being unable to find suitable employment generally and losing their job (both 17 percent) and being unable to find work in their chosen field (14 percent).

In aggregate, 86 percent of survey respondents cited one or more positive reasons for being self-employed. Survey respondents from countries who are most likely to cite positive reasons include India (96 percent), Turkey (95 percent), and the USA (94 percent), while those least likely to cite positive reasons for being self-employed include Spain (71 percent), the Netherlands (79 percent), and Poland (82 percent).

Globally, 35 percent of survey respondents cited one or more negative reasons for being self-employed. Spain (55 percent), Poland (45 percent), France and the United Kingdom (both with 44 percent) are countries where the self-employed were most likely to cite negative reasons.

Chart 2 *The majority of self-employed become self-employed for positive reasons such as becoming their own boss*

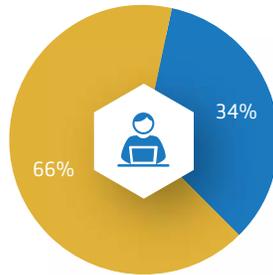


The survey finds diversity among the self-employed. Looking at the broad categories of the self-employed who are sole proprietors versus those who employ others, the survey finds agreement on some matters and differences in others.

Chart 3 *The self-employed in the spotlight*

Sole proprietors

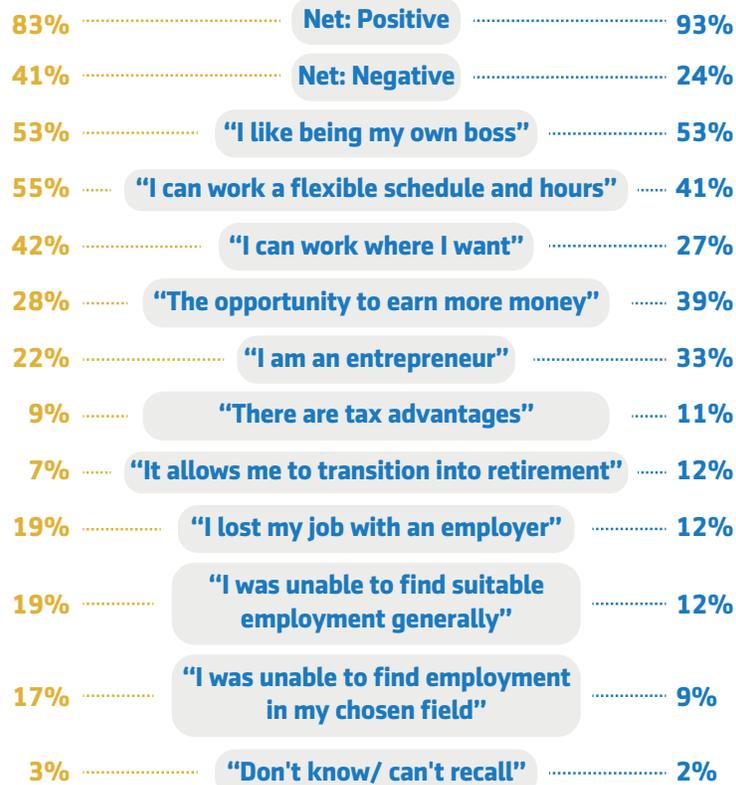
-  Length of self-employment: **5.8 years** (median)
-  Average work week: **33 hours**
-  Median personal income: **\$17,100**



Self-employed employing others

-  Length of self-employment: **7.0 years** (median)
-  Average work week: **40 hours**
-  Median personal income: **\$21,800**

Reasons for becoming Self-employed



Overall, the self-employed share similarities with workers in their retirement outlook, but there are also some clear differences. While the self-employed share a lack of retirement confidence with workers, only 26 percent of the self-employed are “very” or “extremely confident” about being able to achieve a comfortable retirement, a finding that is only slightly higher than the 22 percent of workers who feel this way. The self-employed

are more optimistic than workers about being able to choose when to stop working and retire (53 percent compared to 43 percent, respectively) and slightly more upbeat about finding work opportunities before fully retiring (51 percent compared to 46 percent). One of the distinct characteristics of the self-employed is their flexibility and adaptability toward retirement planning, which is further explored in the following sections of this report.

Part 2: The retirement vision of the self-employed

Flexible in thinking when and how to retire

The self-employed are remarkably adaptable when thinking about how they work, save, and retire – despite the fact that many lack access to workplace retirement plans. Among the self-employed, the notion of a fixed retirement age or date is less relevant, because they do not have an employer setting expectations about when to stop working. Thirteen of the fifteen countries in our survey have an official age at which an individual becomes entitled to receive full retirement benefits. In all cases, the average age at which self-employed workers expect to retire from full employment is the same or later than the age at which they become entitled to benefits. In some countries, a mandated retirement age exists. For example, in China, the mandatory retirement age for men is 60 and for women 50. In other countries, mandatory retirement may still be in force for specific occupations such as civil servants.

In Japan, the retirement system anticipates that the self-employed will keep working beyond workers' retirement age by allowing them to make lower pension contributions throughout their working lives. In the United States, tax-incentivized retirement savings plans are available to the self-employed to help them save for retirement. In other countries, such as Spain, the self-employed

are only required to join the social security system under the Special Regime for Autonomous Workers (RETA) at a standard cost of €265 a month (in 2015). It is common for self-employed people to under-report their incomes, lowering their pension contributions, which in turn reduces their likely retirement incomes and may have an impact on when they decide they can retire.

Globally, the self-employed exhibit flexibility and fluidity in thinking about when and how they retire. Indeed, two-fifths of self-employed people expect to retire at over age 65 or never compared to 33 percent of employed workers. More than two-thirds (69 percent) envision a flexible transition to retirement¹⁰. They often cite positive reasons for planning to do so, such as wanting to keep active – 63 percent – or because they enjoy their work – 51 percent.

This mindset of working longer and retiring at an older age can also be very helpful in closing retirement income gaps. As reported in previous Aegon Retirement Readiness Surveys, by deferring the retirement age by just two years after the base retirement date, people may see their retirement incomes increase by as much as 20 percent¹¹.

Self-employed in the spotlight

Thirty-three percent of sole proprietors expect to retire at age 70 or older, or never retire, compared to 21 percent of self-employed with employees and 18 percent of employed workers. The largest single reason for the self-employed to want to continue working to some extent in retirement is because they want to keep active or keep their brain alert (63 percent compared to 56 percent for employed workers). Sole proprietors are more likely (28 percent) than the self-employed employing others (21 percent) and employed workers (23 percent) to say they have not saved enough. Sole proprietors also show adaptability in finding ways to fund their future retirement income by working longer to make up for shortfalls.

Chart 4 Sixty-nine percent of self-employed envision a flexible transition to retirement

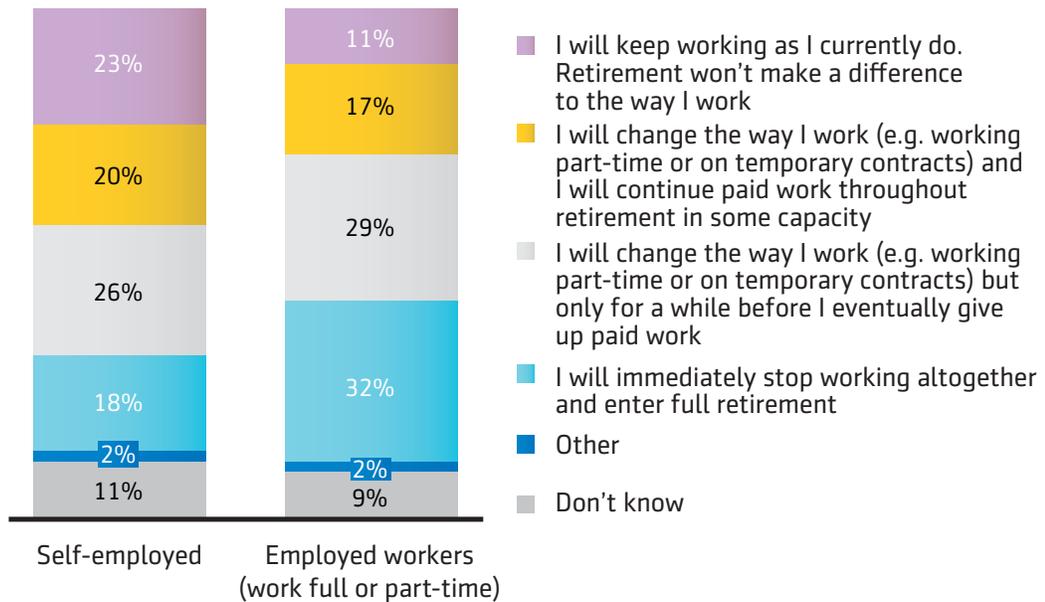


Chart 5 Majority of self-employed people who envision a flexible transition to retirement have one or more positive reasons for doing so

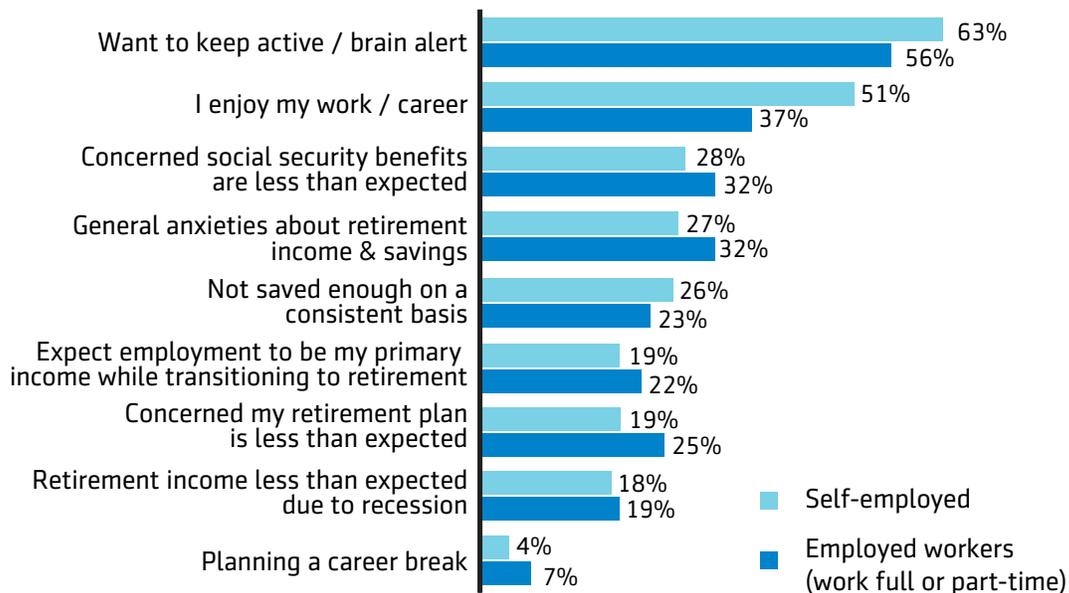
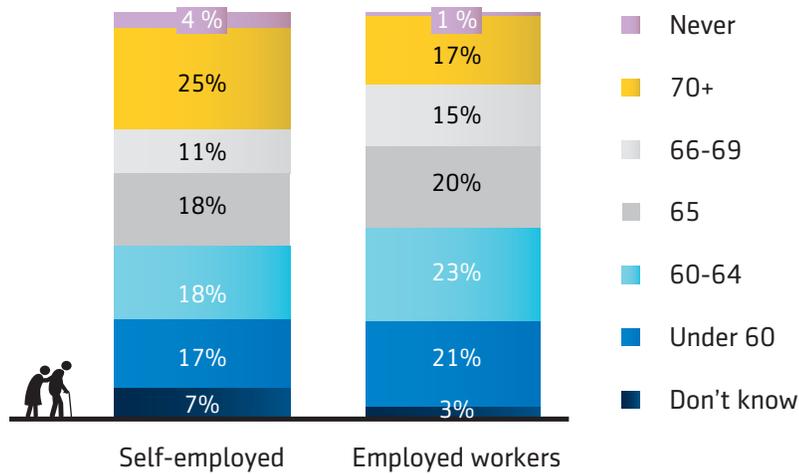


Chart 6 Two-fifths of self-employed people expect to retire at over age 65 or never

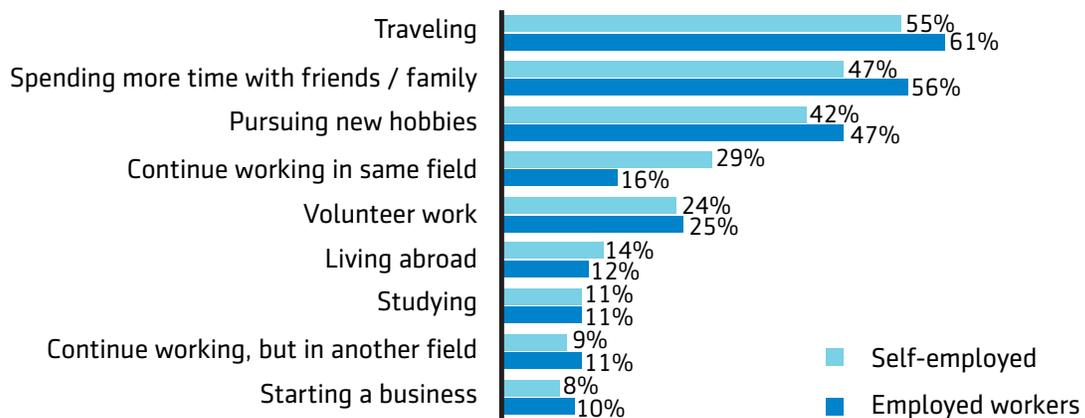


What are the retirement aspirations of the self-employed?

The self-employed hold largely positive aspirations about their retirement. More than half (55 percent) have aspirations to travel in retirement while 42 percent aspire to pursue new hobbies, a survey finding that is less prevalent than among employed workers (61 percent and 47 percent respectively). The self-employed are also less likely to cite

“spending more time with family and friends” than employed workers (47 percent compared to 56 percent). However, in contrast, the self-employed are much more likely to cite “working into retirement”; 29 percent aspire to work in the same field compared to just 16 percent of employed workers.

Chart 7 The self-employed are almost twice as likely to aspire to continuing work in the same field in retirement as employed workers



Part 3: Retirement preparations among the self-employed

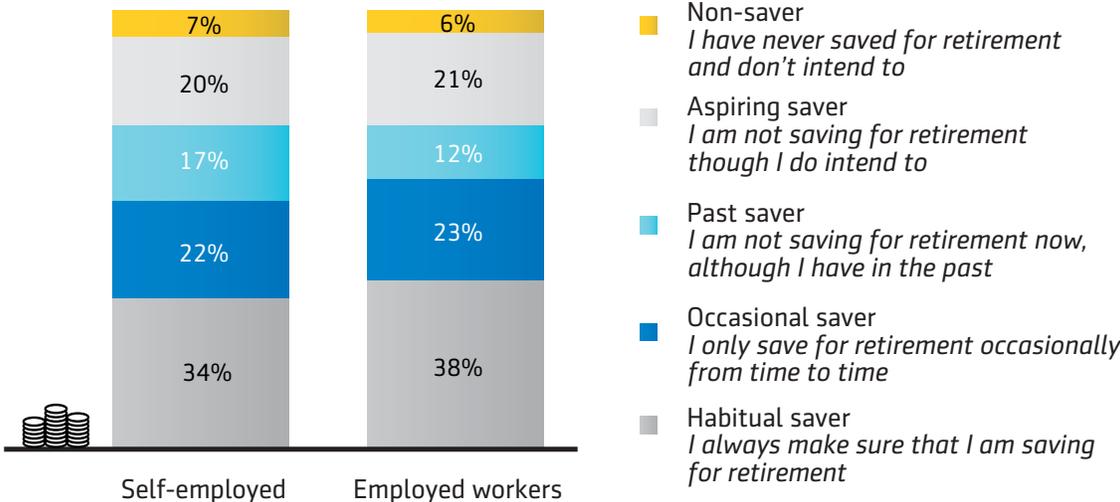
Supporting habitual saving among the self-employed

Since its inception in 2012, the annual Aegon Retirement Readiness Survey has identified different types of savers and shown how an individual's retirement preparedness largely depends on his or her savings habits. While the self-employed certainly gain from being more flexible, they do lose out in other ways. For example, workplace retirement plans have a tremendous impact in improving workers' retirement security, but these types of benefits frequently do not extend to the self-employed. The self-employed typically do not receive the benefit of employer pension contributions or conveniences such as automatic enrollment into retirement plans.

In contrast, the self-employed take a 'do-it-yourself approach' and determine which types of savings arrangements to put in place for their own retirement. That is, if indeed they are saving anything at all.

Without access to employer-sponsored retirement benefits, the self-employed have a much greater personal responsibility for funding their retirement compared to employed workers. Of greater concern, only one-third (34 percent) of the self-employed describe themselves as habitual savers, saying that they always make sure they are saving for retirement – a finding which is even less than among employed workers (38 percent). It is worth mentioning that this survey finding among the self-employed is mainly driven by sole proprietors who make up two-thirds of our sample: Only 29 percent of sole proprietors say they always make sure they are saving for retirement compared to 44 percent of the self-employed employing others. The self-employed as a whole are much more likely to be past savers than employed workers (17 percent compared to 12 percent of employed workers).

Chart 8 One-in-three self-employed are habitual savers

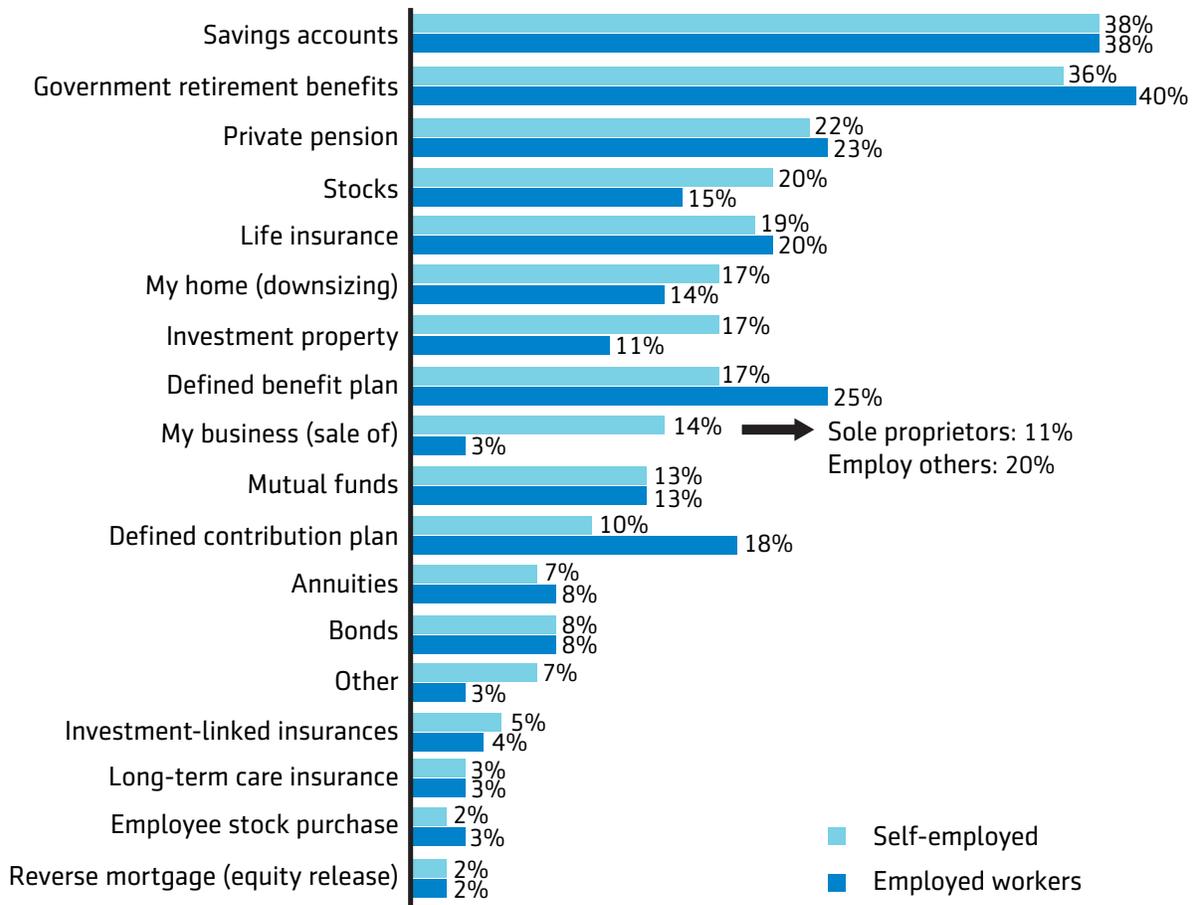


Expected sources of retirement income among the self-employed

Employed workers often enjoy better, albeit limited, access to workplace retirement benefits, such as defined contribution plans and defined benefit plans. Twenty-five percent of employed workers identify defined benefit plans to be a future source of retirement income, compared to just 17 percent of the self-employed. Eighteen percent of employed workers identify defined contribution plans as a source of retirement income, compared to only 10 percent of the self-employed.

In contrast, the self-employed are more likely than employed workers to identify stocks (20 percent compared to 15 percent), investment property (17 percent compared to 11 percent), and, of course, business assets (14 percent compared to three percent) as sources of retirement income.

Chart 9 *The self-employed identify more potential sources of retirement income, but lag behind employed workers on pensions**



* Not all products are available in all countries. Percentages shown represent the proportion of people using the product across all countries.

The self-employed are more likely than employed workers to say that they feel responsible¹² for making sure they have sufficient income in retirement (75 percent compared to 71 percent of employed workers). Asked to estimate the proportion of their retirement income that will come from their own savings and investments, from their employer, previous employers and from the government, the self-employed and employed workers gave different responses. The self-employed expect a far greater proportion of their retirement income to come from their own savings and investments (45 percent) than do employed workers (32 percent). Employed workers expect 24 percent of their retirement income to come from their employer, whereas the self-employed expect far less (16 percent) from their past employers. The self-employed expect 39 percent of their retirement income to come from the government compared to the employed, who expect 44 percent.

The imperative for retirement planning

While the self-employed have the opportunity to take a more flexible approach to work, leisure, retirement and savings, this does not mean that they will make all the right calls. They likely need support, guidance and advice to help them to adequately plan and prepare for retirement.

The harsh reality is that only 26 percent of the self-employed say they are “very” or “extremely confident” that they will achieve a comfortable retirement, a finding that is higher than that of employed workers (22 percent) – but still alarmingly low. The three countries with the highest percentage of “very” or “extremely confident” self-employed workers were China (55 percent), India (46 percent) and the Netherlands (35 percent). The countries with the lowest percentages were France (nine percent), Spain and Poland (both 12 percent).

Like employed workers, the self-employed are faced with universal challenges of turning a lifetime’s savings (which in the case of self-employed people might

consist largely of business assets) into a retirement income, making sure that they have the best asset allocation to make the most of their income draw-down in retirement.

One of the biggest challenges facing the self-employed may be the need to exit their business at some point, with a view to crystalizing their business assets. Fourteen percent of the self-employed say they intend to use those assets to fund their retirement. Looking a level deeper, the self-employed employing others are more likely than sole proprietors to cite the sale of their business as one of the financial means they are using to prepare for retirement (20 percent compared to 11 percent).

The self-employed and employed workers are similar in terms of whether they have a retirement plan or strategy, with 60 percent and 58 percent respectively saying that they have a retirement strategy. Of this, only 13 percent of both groups saying their strategy is written down.

More concerning is the fact that only 38 percent of the self-employed say they have a backup plan in the event that they need to stop working before their planned retirement date, compared to 32 percent of employed workers.

As self-employment rates increase around the world, it is increasingly urgent to create a new framework for them to save and plan for retirement, a template that is flexible enough to readily adapt to their unique needs, and which addresses their financial circumstances, such as a variable income, and lack of access to workplace retirement benefits. This template should address the need to raise awareness of the retirement-related risks faced among the self-employed and offer an array of solutions ranging from tax incentives, advice, and financial products and services – not to mention improving the financial sustainability of government-sponsored social security programs. In doing so, we can create greater inclusivity in our retirement systems and increase retirement security.

Recommendations

Self-employment brings both unique opportunities and challenges for saving, planning, and preparing for retirement. The self-employed often lack a regular stream of income. Without retirement savings benefits offered by an employer, the self-employed typically must take a do-it-yourself approach to retirement savings. Although daunting, self-employment also brings greater freedom, the freedom to work, and retire, on your own terms.

The following offers practical recommendations for the self-employed:

- Start saving early and get into the habit of saving consistently over time. Because self-employed workers often have irregular incomes, possible approaches include:
 - Saving more during years with more robust income and less during leaner years.
 - Avoiding withdrawals from savings – particularly retirement savings – during lean years.
 - Setting aside a portion of income windfalls for retirement.
- Utilize tax-advantaged opportunities to save for retirement, which may include certain types of individual retirement accounts or savings vehicles specifically designed for the self-employed. Identify those that are tailored to your personal circumstances, as options may differ for sole proprietors and the self-employed who employ others.
- Determine if a local chamber of commerce or trade association offers retirement savings programs that can be accessed by self-employed workers.
- Automate savings; one of the proven advantages of employer-sponsored retirement benefits is the convenience of payroll deduction. Even without access to such benefits, it may be possible to automate savings by setting up an automatic funds transfer, for example, from a checking account to a savings or retirement account.
- Utilize government-sponsored retirement programs designed to help the self-employed save for retirement, such as making contributions to a social security or national system. In some countries, it may be tempting or common practice to under-report personal income to reduce income taxes. However, it's important to remember this may reduce government benefits at retirement, which are often based on an individual's earnings history.
- Create a financial plan for yourself and your business that includes a Plan B. A well-developed strategy should address current and future income needs, savings, and investment in the business. It should also include scenario testing and contingency planning in case an event occurs that prevents you from being able to continue working before your planned retirement.
- Seek advice from a financial planner, accountant, or trusted advisor in planning for retirement, developing an exit strategy for your business (where applicable), and converting retirement assets into retirement income. The self-employed are more likely than employed workers to identify a wider variety of expected sources of retirement income. Some of these, such as investment property or the sale of a business, may be more difficult to convert into retirement income than traditional workplace retirement savings plans. A well-developed retirement strategy will also include tax and estate planning.

- Be realistic about future income and expenditure needs and revisit business and retirement plans regularly. Discuss these plans with trusted advisors and family members to ensure that plans are complete, accurate, and that you and your family have a shared understanding of them.
- Keep your job skills up to date to enable you to react and be adaptable in an ever-changing world. Invest in training and skills development for yourself and those you employ.
- Set an example for your employees by raising awareness about the need to save and prepare for retirement. Where possible, offer retirement savings benefits and encourage your employees to take advantage of them.

As the world of self-employment grows and evolves, governments and the financial services industry should work together with private sector entities (e.g., gig economy companies, trade associations, chambers of commerce) to innovate products, services, and solutions that are flexible, portable, and supportive of the retirement planning needs and goals of those in self-employment.

Countries covered in the research



Australia



Self-Employment in Australia

The self-employed in Australia take more responsibility for making sure that they will have sufficient income in retirement (86 percent compared to the global average 75 percent) and they also express more awareness of the need to plan financially for their retirement (82 percent compared to the global average 72 percent). Australia supports retirement planning among the self-employed in a number of ways: not only are they eligible to make contributions to the Superannuation fund, but they may be able to make tax deductions against those contributions. They may be eligible for the low income Super contribution worth \$500 for those earning less than \$37,000 annually.¹ Despite the fact that the Australian Securities and Investments Commission has advised the self-employed to build a pool of retirement savings rather than relying on selling their business to fund retirement², almost a quarter of self-employment had no Superannuation at all in 2012 according to the Australian Super Funds Association (ASFA). Indeed, just 37 percent of the Australian self-employed always make sure that they are saving for retirement which is 3 percentage points higher than the global average (34 percent).

Key country indicators



10.3%¹³ of workers are self-employed



63%¹⁴ of self-employed are men



65 years official retirement age (when full entitlements are payable)

Profile of Australian self-employed



\$37.5k median personal income



88% cite positive reasons for becoming self-employed



76% are sole-proprietors



22% will sell their business to prepare for retirement

What attitudes and expectations do the self-employed hold toward retirement?



Confident you will be able to fully retire with a lifestyle you consider comfortable

Australia: 28% **Global: 26%**



Proportion that expect to retire at over 65 (includes never)

Australia: 41% **Global: 40%**



Envision a flexible transition to retirement

Australia: 76% **Global: 69%**

How are the self-employed planning and saving for retirement?



Habitual savers

Australia: 37% **Global: 34%**



Have a written retirement strategy

Australia: 15% **Global: 13%**



Have a backup plan

Australia: 35% **Global: 38%**

Brazil



Self-Employment in Brazil

Around one-third of Brazil's workforce is self-employed, which is high by international standards, and reflects the lack of job opportunities in the formal labor market. Brazil's relatively inflexible labor market is cited as one of the reasons for this situation. The cost of employing workers can be high when social security, required meal passes and restaurant vouchers, transportation, and mandatory vacation pay are factored inⁱⁱⁱ. Employers, wishing to manage payroll costs, hire the services of non-registered or casual professionals which has resulted in a sizeable grey economy where the self-employed have reduced benefits and lower pay than their employed working counterparts.

There are options for long-term savings, PGBL and VGBL are both tax-incentivized defined contribution plans. Even though both products have a fast pace of growth within the market, coverage is low among individuals, including self-employed, due to the low level of average income and the fact that these have only been available in the past 20 years. Not surprisingly, Brazilian self-employed people are less likely to associate positive words such as "leisure" and "enjoyment" with retirement (57 percent) compared to the global average (66 percent). However, they do have a good level of awareness of the need to plan financially for retirement: 77 percent, which is above the global average 72 percent. Seventy-percent say that they feel "very" or "somewhat responsible" for making sure that they have sufficient income in retirement.

Key country indicators



32.3%¹⁵ of workers are self-employed



62%¹⁶ of self-employed are men



63 years official retirement age (when full entitlements are payable)

Profile of Brazilian self-employed



\$7.8k median personal income



84% cite positive reasons for becoming self-employed



68% are sole-proprietors



10% will sell their business to prepare for retirement

What attitudes and expectations do the self-employed hold toward retirement?



Confident you will be able to fully retire with a lifestyle you consider comfortable

Brazil: 21% **Global: 26%**



Proportion that expect to retire at over 65 (includes never)

Brazil: 31% **Global: 40%**



Envision a flexible transition to retirement

Brazil: 84% **Global: 69%**

How are the self-employed planning and saving for retirement?



Habitual savers

Brazil: 34% **Global: 34%**



Have a written retirement strategy

Brazil: 8% **Global: 13%**



Have a backup plan

Brazil: 48% **Global: 38%**

Canada



Self-Employment in Canada

Just nine percent of Canadian workers are considered to be self-employed, a low figure by global standards. Self-employed tax-payers have a requirement to make installment payments for Canada/Quebec Pension Plan contributions when completing their tax returns^{xi} though the Canada Revenue Agency checklist for new small businesses omits to mention retirement planning.^{xii} Nonetheless, the self-employed can make tax-exempt contributions to registered retirement savings plans (RRSP). Self-employed people are also able to make tax-exempt personal contributions to pooled registered pension plans (PRPPs) in some provinces.^{xiii} Against this backdrop, the self-employed are looking forward to retirement – almost three-quarters (74 percent) associate positive words with retirement compared to just 66 percent globally. They are also aware of the need to plan financially for their retirement (70 percent) and very self-reliant, almost eight-in-ten (79 percent) say that they feel “very” or “somewhat responsible” for making sure that they have sufficient income in their retirement.

Key country indicators



8.6%¹⁷ of workers are self-employed



56%¹⁸ of self-employed are men



65 years official retirement age (when full entitlements are payable)

Profile of Canadian self-employed



\$33.6k median personal income



92% cite positive reasons for becoming self-employed



77% are sole-proprietors



11% will sell their business to prepare for retirement

What attitudes and expectations do the self-employed hold toward retirement?



Confident you will be able to fully retire with a lifestyle you consider comfortable

Canada: 23% **Global: 26%**



Proportion that expect to retire at over 65 (includes never)

Canada: 45% **Global: 40%**



Envision a flexible transition to retirement

Canada: 77% **Global: 69%**

How are the self-employed planning and saving for retirement?



Habitual savers

Canada: 27% **Global: 34%**



Have a written retirement strategy

Canada: 10% **Global: 13%**



Have a backup plan

Canada: 35% **Global: 38%**

China



Self-Employment in China

In China, self-employment is often a good route to avoiding unemployment, particularly for rural migrant workers. According to the 2005 Census, there were 64 million self-employed people in China^{vii}. A more recent study by the State Administration for Industry and Commerce (SAIC) showed that China had created 117 million self-employed jobs in 2015, a 47% increase on 2011. These jobs are found in the more populous provinces with over 10 million self-employed in Guangdong alone, 9 million in Hubei, and over 8 million in Shandong.^{viii} This rapid growth follows reforms to China's business registration system in 2014^{ix} which have supported earlier reforms such as the introduction of Enterprise Annuities to form a second pillar pension system, alongside voluntary private savings. Participation rates, however, remain low. Many of the self-employed are drawn from the 150 million migrants from rural areas who with a rural hukou (household) registration might find it difficult to access numerous types of urban jobs as well as the urban pensions system.^x In spite of these difficulties, Chinese self-employed are looking forward to retirement, more than three-quarters (77 percent) associate retirement with positive words such as "opportunity" and "excitement." They are also very likely to take on responsibility for making sure that they have sufficient income in retirement (77 percent) and they show a good awareness of the need to plan financially for retirement (72 percent).

Key country indicators



N/A¹⁹ of workers are self-employed



N/A²⁰ of self-employed are men



55 years official retirement age (when full entitlements are payable)

Profile of Chinese self-employed



\$17.0k median personal income



86% cite positive reasons for becoming self-employed



40% are sole-proprietors



10% will sell their business to prepare for retirement

What attitudes and expectations do the self-employed hold toward retirement?



Confident you will be able to fully retire with a lifestyle you consider comfortable

China: 55%

Global: 26%



Proportion that expect to retire at over 65 (includes never)

China: 7%

Global: 40%



Envision a flexible transition to retirement

China: 70%

Global: 69%

How are the self-employed planning and saving for retirement?



Habitual savers

China: 46%

Global: 34%



Have a written retirement strategy

China: 16%

Global: 13%

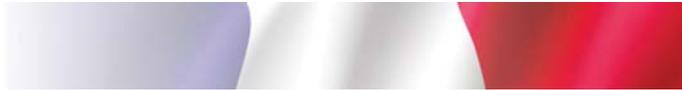


Have a backup plan

China: 51%

Global: 38%

France



Self-Employment in France

Around one-in-ten (11.5 percent) of the French work for themselves, compared to an EU average is 17 percent. In 2015, France introduced new laws to reduce the taxes and costs of being self-employed.^{xi} Self-employed workers are expected to make contributions to the social security system depending on the legal and tax status of their business. The self-employed are also expected to pay around €2,000 to €2,500 per year into a private pension fund. Plan d'Epargne Retraite Populaire or PERPs was also introduced in 2003 to provide additional tax sheltered opportunities to save privately. Life insurance policies are also widely used to provide additional income in retirement.^{xii} The French self-employed are only too aware of the need to plan financially for retirement (76 percent aware compared to 72 percent globally). However the French are somewhat slow to take action on their intentions. A relatively low proportion (22 percent) say they have very or somewhat well-developed plans (compared to 38 percent globally) and just 27 percent say that they always make sure that they are saving for retirement.

Key country indicators



9.7%²¹ of workers are self-employed



64%²² of self-employed are men



65 years official retirement age (when full entitlements are payable)

Profile of French self-employed



\$23.0k median personal income



85% cite positive reasons for becoming self-employed



74% are sole-proprietors



16% will sell their business to prepare for retirement

What attitudes and expectations do the self-employed hold toward retirement?



Confident you will be able to fully retire with a lifestyle you consider comfortable

France: 9% **Global: 26%**



Proportion that expect to retire at over 65 (includes never)

France: 42% **Global: 40%**



Envision a flexible transition to retirement

France: 61% **Global: 69%**

How are the self-employed planning and saving for retirement?



Habitual savers

France: 27% **Global: 34%**



Have a written retirement strategy

France: 9% **Global: 13%**



Have a backup plan

France: 26% **Global: 38%**

Germany



Self-Employment in Germany

Just over one-in-ten (11 percent) of Germans work for themselves, while the EU average is 17 percent. However, the number of freelancers in Germany has increased by 40 percent over the last two decades.^{xiii} Unlike employed workers, the self-employed are not liable to pay social security, which impacts on pension eligibility during retirement. Freelance artists and journalists are required (with some exceptions such as those on low incomes) to pay into a social insurance pension system. Other sole proprietors need to make their own provision. Life insurance products provide a popular route to supplementing retirement incomes.^{xiv} More than four-in-five (82 percent) feel responsible for making sure that they have sufficient income in their retirement (compared to 75 percent globally). The majority of self-employed people in Germany are aware of the need to plan financially for retirement (94 percent compared to 72 percent globally). However, this does not necessarily translate into action. Thirty-one percent of the German self-employed say that their personal retirement plan is well developed, below the global average 38 percent. To address this issue, the government announced controversial proposals in 2012/13 to mandate freelancers, not in specialized professions, to make contributions worth up to €300 per month into a pension under the "Rewarding Life's Work" law effecting three million German workers.

Key country indicators



10.8%²³ of workers are self-employed



66%²⁴ of self-employed are men



65 years official retirement age (when full entitlements are payable)

Profile of German self-employed



\$45.0k median personal income



92% cite positive reasons for becoming self-employed



77% are sole-proprietors



15% will sell their business to prepare for retirement

What attitudes and expectations do the self-employed hold toward retirement?



Confident you will be able to fully retire with a lifestyle you consider comfortable

Germany: 20% **Global: 26%**



Proportion that expect to retire at over 65 (includes never)

Germany: 52% **Global: 40%**



Envision a flexible transition to retirement

Germany: 76% **Global: 69%**

How are the self-employed planning and saving for retirement?



Habitual savers

Germany: 40% **Global: 34%**



Have a written retirement strategy

Germany: 10% **Global: 13%**



Have a backup plan

Germany: 44% **Global: 38%**

Hungary



Self-Employment in Hungary

Eleven percent of Hungarians are self-employed compared to an EU average of 17 percent. The level of self-employment has been falling in Hungary in recent decades. Self-employed people pay the same social security contributions as employed workers; 8.5 percent of total gross earnings. However, they lose up to 21 percent gross income in additional contributions made by their employer. The majority only pay contributions in line with the minimum wage, which limits the value of their future benefits.^{xv xvi} Reforms in 2006 aimed to boost the retirement contribution levels among the self-employed. Tax benefits on pension contributions only apply to those who pay personal income tax so self-employed workers saving into the so-called simplified tax scheme for employed entrepreneurs, may miss out. Today, only around half (49 percent) of the Hungarian self-employed associate positive words with retirement (compared to 66 percent globally). They feel personally responsible for making sure that they have sufficient income in retirement (71 percent); however, only 55 percent say that they are aware of the need to plan financially for retirement. Although 39 percent of the Hungarian self-employed say that their retirement planning is well developed, only 26 percent are saving habitually for retirement, compared to 34 percent globally.

Key country indicators



10.9%²⁵ of workers are self-employed



66%²⁶ of self-employed are men



63 years official retirement age (when full entitlements are payable)

Profile of Hungarian self-employed



\$5.2k median personal income



85% cite positive reasons for becoming self-employed



86% are sole-proprietors



12% will sell their business to prepare for retirement

What attitudes and expectations do the self-employed hold toward retirement?



Confident you will be able to fully retire with a lifestyle you consider comfortable

Hungary: 23% **Global: 26%**



Proportion that expect to retire at over 65 (includes never)

Hungary: 36% **Global: 40%**



Envision a flexible transition to retirement

Hungary: 75% **Global: 69%**

How are the self-employed planning and saving for retirement?



Habitual savers

Hungary: 26% **Global: 34%**



Have a written retirement strategy

Hungary: 9% **Global: 13%**



Have a backup plan

Hungary: 41% **Global: 38%**

India



Self-Employment in India

Half of India's 473 million workers (51 percent in 2013) are self-employed. For most, self-employment is made up of casual work, being the main way to find employment. This is particularly true in rural areas. As a result, many of the self-employed will not enjoy access to any kind of formal retirement planning. However, around 15 percent of people are in salaried positions working for themselves, illustrating the importance of entrepreneurship. Two-thirds (66 percent) of the Indian self-employed are positive about retirement, on par with the global average. They feel particularly responsible for making sure that they have sufficient income in retirement (84 percent compared to 75 percent globally) and 83 percent say that they are aware of the need to plan financially for retirement (compared to 72 percent globally).

Key country indicators



51%²² of workers are self-employed



N/A²⁸ of self-employed are men



N/A official retirement age (when full entitlements are payable)

Profile of Indian self-employed



\$8.2k median personal income



96% cite positive reasons for becoming self-employed



32% are sole-proprietors



17% will sell their business to prepare for retirement

What attitudes and expectations do the self-employed hold toward retirement?



Confident you will be able to fully retire with a lifestyle you consider comfortable

India: 46% **Global: 26%**



Proportion that expect to retire at over 65 (includes never)

India: 26% **Global: 40%**



Envision a flexible transition to retirement

India: 76% **Global: 69%**

How are the self-employed planning and saving for retirement?



Habitual savers

India: 52% **Global: 34%**



Have a written retirement strategy

India: 28% **Global: 13%**



Have a backup plan

India: 62% **Global: 38%**

Japan



Self-Employment in Japan

In 2015, there were 7.2 million self-employed people in Japan participating in the national pension for the self-employed. This is quite a low level, reflecting the expectation that the self-employed can continue to work beyond retirement age. Four-hundred-and-eighty thousand self-employed also participate in the National Pension Fund which is a defined benefit plan and 73,000 participate in the defined contribution plan for the self-employed. The contribution amount is limited at 68,000 yen per month for both of National Pension Fund and the Defined Contribution plan together, designed to bridge the gap in pensions between employed workers and the self-employed. In practice, half (50 percent) of the Japanese self-employed expect to work beyond age 65 years which is well above the global average (40 percent). Employed workers are frequently mandated to retire at normal retirement age often without having the option to keep working. Since 2002 a quarter of the self-employed (2.6 million) have shifted to “non-regular” workers, a cause for concern given that these workers enjoy less generous retirement benefits. Yet only 52 percent of the “non-regular” workers participate in Workers’ Pension compared to 99 percent among regular workers (2014).^{xvii} The Japanese self-employed express a low level of positivity toward retirement, only half (50 percent) associate retirement with positive words compared to 66 percent globally.

Key country indicators



11.5%²⁹ of workers are self-employed



61%³⁰ of self-employed are men



65 years official retirement age (when full entitlements are payable)

Profile of Japanese self-employed



\$19.4k median personal income



83% cite positive reasons for becoming self-employed



84% are sole-proprietors



12% will sell their business to prepare for retirement

What attitudes and expectations do the self-employed hold toward retirement?



Confident you will be able to fully retire with a lifestyle you consider comfortable

Japan: 13%

Global: 26%



Proportion that expect to retire at over 65 (includes never)

Japan: 50%

Global: 40%



Envision a flexible transition to retirement

Japan: 33%

Global: 69%

How are the self-employed planning and saving for retirement?



Habitual savers

Japan: 11%

Global: 34%



Have a written retirement strategy

Japan: 5%

Global: 13%



Have a backup plan

Japan: 14%

Global: 38%

The Netherlands



Self-Employment in the Netherlands

Sixteen percent of Dutch workers are self-employed, in line with the EU average. While the number of self-employed workers across the EU is falling; in the Netherlands it is on the rise. This has been driven by increasing casualization of working practices and employment contracts. The self-employed are concentrated in sectors such as services, construction, healthcare and agriculture^{xviii}. Whereas most Dutch employed workers are enrolled in a workplace pension – penetration is more than 90 percent of the workforce – the self-employed are not captured under such arrangement. Even so, three-quarters of the self-employed associate positive words with retirement (75 percent compared to 66 percent globally) and almost three-quarters expect to retire at age 65 years or older. Over a third (35 percent) of the Dutch self-employed say that their retirement planning is well developed and 34 percent are saving habitually for retirement.

Key country indicators



15.9%³¹ of workers are self-employed



65%³² of self-employed are men



65 years official retirement age (when full entitlements are payable)

Profile of Dutch self-employed



\$39.0k median personal income



79% cite positive reasons for becoming self-employed



77% are sole-proprietors



17% will sell their business to prepare for retirement

What attitudes and expectations do the self-employed hold toward retirement?



Confident you will be able to fully retire with a lifestyle you consider comfortable

The Netherlands: 35% Global: 26%



Proportion that expect to retire at over 65 (includes never)

The Netherlands: 73% Global: 40%



Envision a flexible transition to retirement

The Netherlands: 78% Global: 69%

How are the self-employed planning and saving for retirement?



Habitual savers

The Netherlands: 34% Global: 34%



Have a written retirement strategy

The Netherlands: 8% Global: 13%



Have a backup plan

The Netherlands: 28% Global: 38%

Poland



Self-Employment in Poland

In 1999 Poland introduced two new mandatory elements to its pensions system including a first pillar social security pension (ZUS) and the Open Pension Fund (OFE). A third pillar of voluntary personal savings also exists in the form of Individual Pension Accounts (IKE) and Individual Retirement Security Accounts (IKZE). In spite of the reforms put in place, self-employed workers tend to pay the minimum mandated amount which equals PLN 475 per month. Fewer than three-in-five (57 percent) Polish self-employed workers associate retirement with positive words such as freedom, opportunity, leisure, excitement and enjoyment, well below the global average (66 percent). They are less likely to take on responsibility for making sure that they have sufficient income in retirement than the average globally (65 percent and 75 percent respectively). Almost half (49 percent) of the Polish self-employed expect to retire at over 65 years. Yet, government proposals set to take effect in 2018, could actually see the official retirement age fall.

Key country indicators



21.2%³³ of workers are self-employed



63%³⁴ of self-employed are men



63 years official retirement age (when full entitlements are payable)

Profile of Polish self-employed



\$11.0k median personal income



82% cite positive reasons for becoming self-employed



67% are sole-proprietors



15% will sell their business to prepare for retirement

What attitudes and expectations do the self-employed hold toward retirement?



Confident you will be able to fully retire with a lifestyle you consider comfortable

Poland: 12% **Global: 26%**



Proportion that expect to retire at over 65 (includes never)

Poland: 49% **Global: 40%**



Envision a flexible transition to retirement

Poland: 69% **Global: 69%**

How are the self-employed planning and saving for retirement?



Habitual savers

Poland: 42% **Global: 34%**



Have a written retirement strategy

Poland: 11% **Global: 13%**



Have a backup plan

Poland: 42% **Global: 38%**

Spain



Self-Employment in Spain

Spain now has more than three million self-employed people which makes up 17 percent of the workforce, in line with the EU average. The financial downturn has seen unemployment rise and many companies are reluctant to take on the financial risk of hiring staff on permanent contracts. Self-employment is on the increase, having risen 0.8 percent since 2015. Self-employed or "autonomo" are required to join the social security system under the Special Regime for Autonomous Workers (RETA) at a standard cost of €265 a month in 2015³⁵. However, it is common for self-employed people to under-report their incomes, lowering their pension contributions, which in turn reduces their likely retirement incomes. Occupational pensions (pillar 2) are not mandated nor are there specific initiatives to target the self-employed. Approximately a third (32 percent) say that they always make sure that they are saving for retirement which is on par with the global average, 34 percent. The Spanish self-employed are less positive about retirement than the global average (61 percent and 66 percent respectively). Three-in-five (60 percent) say that they feel responsible for making sure that they have sufficient income in retirement (compared to 75 percent globally). Almost half (47 percent) of the Spanish self-employed expect to retire above the Spanish official retirement age of 65. This is considerably above the proportion globally (40 percent).

Key country indicators



17.4%³⁵ of workers are self-employed



66%³⁶ of self-employed are men



65 years official retirement age (when full entitlements are payable)

Profile of Spanish self-employed



\$25.5k median personal income



71% cite positive reasons for becoming self-employed



76% are sole-proprietors



11% will sell their business to prepare for retirement

What attitudes and expectations do the self-employed hold toward retirement?



Confident you will be able to fully retire with a lifestyle you consider comfortable

Spain: 12% **Global: 26%**



Proportion that expect to retire at over 65 (includes never)

Spain: 47% **Global: 40%**



Envision a flexible transition to retirement

Spain: 51% **Global: 69%**

How are the self-employed planning and saving for retirement?



Habitual savers

Spain: 32% **Global: 34%**



Have a written retirement strategy

Spain: 15% **Global: 13%**



Have a backup plan

Spain: 26% **Global: 38%**

Turkey



Self-Employment in Turkey

One-in-three Turkish workers are self-employed. As in other emerging markets, this reflects the sizeable grey economy and a lack of employment opportunities. The World Bank has also pointed to Turkey's rigid labor markets and high cost of severance payments as reasons why self-employment is high. The self-employed are largely excluded from the social security system (SSK) and retirement fund (ES)³⁶. This situation particularly disadvantageous to self-employed women. Bagkur provides health and pension benefits to the self-employed. Yet only 32 percent are saving habitually for their retirement. Notwithstanding the challenges facing self-employed people in Turkey, they hold positive views on retirement, four-in-five (81 percent) associate retirement with positive words like opportunity and excitement. Only 20 percent expect to retire at over 65 compared to 40 percent globally. The Turkish self-employed are receptive to taking responsibility for their retirement income, 77 percent feel responsible for making sure that they have sufficient income in retirement. Almost seven-in-ten (68 percent) say that they are aware of the need to plan financially for retirement, which is slightly below the global average (72 percent).

Key country indicators



33.0%³⁷ of workers are self-employed



65%³⁸ of self-employed are men



N/A official retirement age
(when full entitlements are payable)

Profile of Turkish self-employed



\$15.9k median personal income



95% cite positive reasons for becoming self-employed



23% are sole-proprietors



18% will sell their business to prepare for retirement

What attitudes and expectations do the self-employed hold toward retirement?



Confident you will be able to fully retire with a lifestyle you consider comfortable

Turkey: 25% **Global: 26%**



Proportion that expect to retire at over 65 (includes never)

Turkey: 20% **Global: 40%**



Envision a flexible transition to retirement

Turkey: 57% **Global: 69%**

How are the self-employed planning and saving for retirement?



Habitual savers

Turkey: 32% **Global: 34%**



Have a written retirement strategy

Turkey: 22% **Global: 13%**



Have a backup plan

Turkey: 46% **Global: 38%**

The United Kingdom

Self-Employment in the United Kingdom

Britain has a historically high level of self-employed workers, making up 15 percent of the workforce (up from 8.1 percent in 1975^{xxii}), with taxi driving and construction the main occupations. There are now over 400,000 self-employed workers over the normal retirement of age 65 years (2014)^{xxiii}. Self-employed people will receive a basic state pension (BSP) from national insurance contributions paid on income and annual profits. But they are not covered by automatic enrolment, which was introduced in 2012 to boost workplace pensions. Almost two-thirds (63 percent) of the UK self-employed are positive about retirement. Almost four-in-five (78 percent) feel responsible for making sure that they have sufficient income in retirement, however only 64 percent are aware of the need to plan financially for retirement (compared to 72 percent globally). More than half (52 percent) of UK self-employed expects to carry on working past 65.

Key country indicators



15.4%³⁹ of workers are self-employed



68%⁴⁰ of self-employed are men



65 years official retirement age (when full entitlements are payable)

Profile of British self-employed



\$22.5k median personal income



86% cite positive reasons for becoming self-employed



84% are sole-proprietors



9% will sell their business to prepare for retirement

What attitudes and expectations do the self-employed hold toward retirement?



Confident you will be able to fully retire with a lifestyle you consider comfortable

UK: 20%

Global: 26%



Proportion that expect to retire at over 65 (includes never)

UK: 52%

Global: 40%



Envision a flexible transition to retirement

UK: 68%

Global: 69%

How are the self-employed planning and saving for retirement?



Habitual savers

UK: 25%

Global: 34%



Have a written retirement strategy

UK: 10%

Global: 13%



Have a backup plan

UK: 29%

Global: 38%

United States



Self-Employment in the United States

Self-employed people must pay Social Security and Medicare in the form of a SECA tax (Self-Employment Contributions Act). This equals 12.4 percent of earnings up to \$118,500 (2016) for Social Security and a 2.9 percent Medicare tax on entire earnings^{xxiii}. The self-employed have a number of tax-advantaged options available for saving for retirement, including Individual Retirement Accounts (IRAs), Simplified Employee Pension Plan (SEP) IRAs, Individual 401(k)s, annuities and more. These different options have different rules and savings limits. In 2015, the myRA was introduced to provide a safe, simple and affordable route to those without access to employer-sponsored savings. Trade associations, such as the Freelancers Union, also provide affinity plans covering retirement savings. The self-employed in the U.S. are very positive about retirement; 71 percent associate it with positive words such as leisure and freedom. Eighty-six percent feel personally responsible for making sure that they have sufficient income in retirement (well above the global average of 75 percent). Almost half (47 percent) say that their personal retirement plan is well-developed, which far exceeds the global average (38 percent). More than a third say that they save for retirement on a habitual basis. More than half (56 percent) of the U.S. self-employed expect to retire at an age older than 65 (compared to just 40 percent globally).

Key country indicators



6.5%⁴¹ of workers are self-employed



61%⁴² of self-employed are men



66 years official retirement age (when full entitlements are payable)

Profile of American self-employed



\$46.0k median personal income



94% cite positive reasons for becoming self-employed



71% are sole-proprietors



15% will sell their business to prepare for retirement

What attitudes and expectations do the self-employed hold toward retirement?



Confident you will be able to fully retire with a lifestyle you consider comfortable

US: 25% **Global: 26%**



Proportion that expect to retire at over 65 (includes never)

US: 56% **Global: 40%**



Envision a flexible transition to retirement

US: 69% **Global: 69%**

How are the self-employed planning and saving for retirement?



Habitual savers

US: 36% **Global: 34%**



Have a written retirement strategy

US: 20% **Global: 13%**



Have a backup plan

US: 39% **Global: 38%**

About the survey

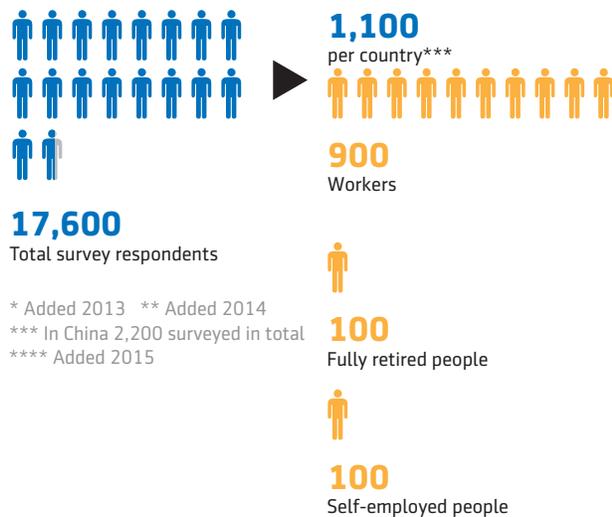
Since 2012, Aegon has been conducting research into peoples' attitudes and readiness for retirement. This Survey is a collaborative effort among the Aegon Center for Longevity and Retirement, Transamerica Center for Retirement Studies® and Cicero Group.

The first Aegon Retirement Readiness Survey, published in 2012, was based on research conducted in nine countries. A separate survey in Japan was conducted and reported on later that year. So for year-on-year comparisons, 2012 is regarded as a 10-country study. In 2013, two new countries (Canada and China) were added to the survey, and in 2014 three countries were added: Brazil, India and Turkey. In 2015, we maintained the overall size of the survey at 15 countries though we introduced Australia and removed Sweden.

Methodology

Cicero Group, a leading global research firm, was engaged to conduct the online and nationally representative survey in local languages in 15 countries. The survey was conducted in February 2016. The survey comprised 14,400 employees (full-time, part-time, and semi-retired), 1,600 retirees, and 1,600 workers who self-identified as self-employed in 15 countries. As the survey is conducted online, it should be noted that for Brazil, China, and India, in particular, respondents were mostly people living in urban versus rural, less-developed areas.

Percentages are rounded to the nearest whole percent. Differences in the sums of combined categories/ answers are due to rounding.



Aegon Retirement Readiness Index (ARRI) - methodology

The 2016 ARRI is based on the sample of 14,400 workers, and 1,600 self-employed and has been developed to measure attitudes and behaviors surrounding retirement planning. Six survey questions (known as “predictor variables”) are used, three broadly attitudinal and three broadly behavioral:

- 1. Personal responsibility** for income in retirement
- 2. Level of awareness** of need to plan for retirement
- 3. Financial capability/understanding** of financial matters regarding plans for retirement
- 4. Retirement planning** level of development of plans
- 5. Financial preparedness** for retirement
- 6. Income replacement** level of projected income replacement

As well as these questions, a dependent variable question is asked which is concerned with approaches to saving, for which five broad saver types have been identified: habitual, occasional, past, aspiring, and non-savers.

In order to create the index score the predictor variables are correlated with the dependent variable to obtain a measure of influence (known as an “R” value). The mean scores of the predictor variables are computed and each mean score is multiplied by its “R” value. The results are summed and then divided by the sum of all correlations to arrive at the ARRI score.

The ARRI was developed specifically to assess the relative levels of preparedness among workers in all countries included in the study. The ARRI ranks retirement readiness on a scale from 1 to 10. A high index score is considered to be between 8 and 10, a medium score between 6 and 7.9 out of 10, and, a low score being less than 6.

The six index questions, shown above, are answered on a five-point scale. Mentions of “responsibility”, “awareness”, “financial understanding”, “planning”, “financial preparedness, and “income replacement” in the report refer to ‘top two options’ (4 and 5) responses. For questions one through five, employed workers and the self-employed were asked to rate their level of agreement with a statement, e.g., “To what extent do you feel personally responsible for making sure that you have sufficient income in retirement?” From code 1 “I don’t feel responsible at all” through to code 5 “I feel very responsible.” Mention of “responsibility” refers to top-two options (4 and 5), for example, that workers feel “somewhat or very responsible.”

For the sixth question, “income replacement,” employed workers and the self-employed were asked what proportion of their current income they expect to need in retirement, followed by “Do you think you will achieve this income?” This is answered on a scale from code 1 “I don’t know if I am on course to achieve my retirement income” through to code 5 “Yes I am on course to achieve my retirement income.”

About Aegon Center for Longevity and Retirement, Transamerica Center for Retirement Studies® and Cicero Group

Aegon Center for Longevity and Retirement

The Aegon Center for Longevity and Retirement (ACLR) is a collaboration of experts assembled by Aegon with representation from Europe, the Americas, and Asia. ACLR's mission is to conduct research, educate the public, and inform a global dialogue on trends issues, and opportunities surrounding longevity, population aging, and retirement security.

www.aegon.com/thecenter

About Aegon

Aegon's roots go back more than 150 years – to the first half of the nineteenth century. Since then, Aegon has grown into an international company, with businesses in more than 25 countries in the Americas, Europe and Asia. Today, Aegon is one of the world's leading financial services organizations, providing life insurance, pensions and asset management. Aegon's purpose is to help people take responsibility for their financial future. More information:

www.aegon.com

In 2010, Aegon became a founding member of the Global Coalition on Aging, which seeks to raise awareness of aging issues among policymakers and the general public. A major aim of the coalition is to transform the way we think and speak about aging: replacing the familiar rhetoric of "problems" with a more positive discussion of "possibilities" and "opportunities."

www.globalcoalitiononaging.com

Transamerica Center for Retirement Studies®

The Transamerica Center for Retirement Studies (TCRS) is a division of the Transamerica Institute, a non-profit, private foundation. TCRS is dedicated to conducting research and educating the American public on trends, issues, and opportunities related to saving, planning for, and achieving financial security in retirement. Transamerica Institute is funded by contributions from Transamerica Life Insurance Company and its affiliates and may receive funds from unaffiliated third parties. TCRS and its representatives cannot give ERISA, tax, investment or legal advice.

www.transamericacenter.org

Cicero Group

A leading consultancy firm servicing clients in the financial and professional services sector, Cicero specializes in providing integrated public policy and communications consulting, global thought leadership programs and independent market research. Cicero was established in 2001, and now operates from offices in London, Brussels, Washington, New York and Singapore. As a market leader in pensions and retirement research, Cicero designed and delivered the market research, analyzed the research findings and contributed to the report.

www.cicero-group.com

References and Notes

Flexicurity - Flexicurity is an integrated strategy for enhancing, at the same time, flexibility and security in the labor market. It attempts to reconcile employers' need for a flexible workforce with workers' need for security – confidence that they will not face long periods of unemployment .

Sole proprietors (also referred to as sole traders) – A sole proprietorship, also known as a sole trader or a proprietorship, is an unincorporated business with a single owner who pays personal income tax on profits earned from the business. With little government regulation, a sole proprietorship is the simplest business to set up or take apart, making sole proprietorships popular among individual self-contractors, consultants or small business owners. Many sole proprietors do business under their own names because creating a separate business or trade name isn't necessary .

¹ [OECD Policy Brief \(August 2015\)](#)

² [State Administration for Industry and Commerce \(SAIC\)](#)

³ [OECD Self Employment rate \(2014\)](#)

⁴ [OECD Self Employment rate \(2015\)](#)

⁵ [OECD Self Employment rate \(2014\)](#)

⁶ [The National Sample Survey Office \(NSSO\) of the ministry of statistics \(2013\)](#)

⁷ Entrepreneurship at a Glance, OECD, September 2016

⁸ Entrepreneurship at a Glance, OECD, September 2016

⁹ It should be noted that average salary at a country level varies from the global average based on the economic circumstances of the country. For example the average salary for a self-employed person in Brazil was \$5,500 per annum and an employed worker \$7,000.

¹⁰ Proportion envisioning to keep working as they currently do or change the way the work (e.g. working part-time or on temporary contracts) and continue working to some extent in retirement

¹¹ The Changing Face of Retirement: The workplace perspective, Aegon, 2012

¹² Throughout the report the self-employed and employed workers are referred to as feeling responsible, aware, capable of understanding, having well developed retirement plans and being financially prepared. Please refer to About the Survey to read more about the definitions of these attitudes and behaviors.

Australia

¹³ [OECD Self Employment rate \(2015\)](#)

¹⁴ [OECD Self-Employment, proportion male \(2015\)](#)

Brazil

¹⁵ [OECD Self Employment rate \(2014\)](#)

¹⁶ [OECD Self-Employment, proportion male \(2014\)](#)

Canada

¹⁷ [OECD Self Employment rate \(2015\)](#)

¹⁸ [OECD Self-Employment, proportion male \(2015\)](#)

China

¹⁹ Not included in the OECD Self Employment rate (2015)

²⁰ Not included in the OECD Self-Employment, proportion male (2015)

France

²¹ [OECD Self Employment rate \(2011\)](#)

²² [OECD Self-Employment, proportion male \(2011\)](#)

Germany

²³ [OECD Self Employment rate \(2015\)](#)

²⁴ [OECD Self-Employment, proportion male \(2015\)](#)

Hungary

²⁵ [OECD Self Employment rate \(2015\)](#)

²⁶ [OECD Self-Employment, proportion male \(2015\)](#)

India

²⁷ [The National Sample Survey Office \(NSSO\) of the ministry of statistics \(2013\)](#)

²⁸ [Not included in the OECD Self-Employment, proportion male \(2015\)](#)

Japan

²⁹ [OECD Self Employment rate \(2013\)](#)

³⁰ [OECD Self-Employment, proportion male \(2013\)](#)

The Netherlands

³¹ [OECD Self Employment rate \(2013\)](#)

³² [OECD Self-Employment, proportion male \(2013\)](#)

Poland

³³ [OECD Self Employment rate \(2015\)](#)

³⁴ [OECD Self-Employment, proportion male \(2015\)](#)

Spain

³⁵ [OECD Self Employment rate \(2015\)](#)

³⁶ [OECD Self-Employment, proportion male \(2015\)](#)

Turkey

³⁷ [OECD Self Employment rate \(2015\)](#)

³⁸ [OECD Self-Employment, proportion male \(2015\)](#)

The United Kingdom

³⁹ [OECD Self Employment rate \(2014\)](#)

⁴⁰ [OECD Self-Employment, proportion male \(2014\)](#)

The United States

⁴¹ [OECD Self Employment rate \(2014\)](#)

⁴² [OECD Self-Employment, proportion male \(2014\)](#)

- i. <https://www.ato.gov.au/Individuals/Super/Getting-started/Self-employed/>
- ii. <https://www.moneysmart.gov.au/life-events-and-you/self-employed-people>
- iii. <http://thebrazilianbusiness.com/article/brazilian-employment-law-in-a-nutshell>
- iv. <https://turbotax.intuit.ca/tax-resources/business-owner-tax/can-i-get-pension-on-self-employment.jsp>
- v. <http://www.cra-arc.gc.ca/tx/bsnss/sm/chcklst-eng.html>
- vi. <http://www.cra-arc.gc.ca/E/pub/tg/t4040/t4040-e.html#elig>
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- ix. <http://en.yibada.com/articles/103809/20160212/third-job-china-comprises-self-employed-private-firms-study.htm>
- x. <http://www.pensionfundsonline.co.uk/content/country-profiles/china/105>
- xi. <https://www.frenchentree.com/news/new-autoentrepreneur-system-for-small-businesses/>
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- xiii. <http://www.pri.org/stories/2013-01-11/germany-tax-increase-freelancers>
- xiv. http://www.expatica.com/de/finance/Tax-and-freelancers-in-Germany_100950.html
- xv. <http://www.eurofound.europa.eu/observatories/eurwork/comparative-information/national-contributions/hungary/hungary-self-employed-workers>
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- xvii. <http://www.japantimes.co.jp/opinion/2016/01/05/editorials/plight-of-irregular-workers/#.WF0Pkn0k0IQ>
- xviii. <https://www.cbs.nl/nl-nl/achtergrond/2016/04/factsheet-waar-werken-zzp-ers->
- xix. http://www.expatica.com/es/finance/Taxation-and-charges-for-freelancers-and-the-self-employed-in-Spain_471615.html
- xx. http://www.ilo.org/dyn/ilossi/ssimain.viewScheme?p_lang=en&p_scheme_id=1545&p_geoaid=792
- xxi. <https://data.oecd.org/emp/self-employment-rate.htm>
- xxii. <https://www.gov.uk/government/news/older-peoples-day-1-million-in-work-over-65-3-years-since-end-of-default-retirement-age>
- xxiii. <http://www.inc.com/encyclopedia/self-employment-contributions-act-seca.html>

Appendix

Q - Do you employ anyone in a paid capacity?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
No	66%	77%	77%	84%	74%	76%	67%	86%	71%	77%	40%	84%	32%	68%	23%	76%
Yes- one other person	12%	10%	5%	6%	9%	12%	19%	7%	9%	10%	18%	7%	13%	22%	22%	6%
Yes- 2 or 3 people	10%	5%	7%	6%	10%	4%	9%	4%	7%	5%	21%	7%	25%	6%	23%	7%
Yes- 4 or 5 people	5%	5%	4%	1%	1%	4%	4%	0%	4%	5%	10%	0%	12%	1%	15%	3%
Yes- 6 to 10 people	3%	1%	1%	2%	4%	0%	0%	3%	5%	2%	4%	1%	9%	1%	8%	6%
Yes- more than 10 people	4%	2%	6%	1%	2%	4%	1%	0%	4%	1%	7%	1%	9%	2%	9%	2%
NET: All Yes	34%	23%	23%	16%	26%	24%	33%	14%	29%	23%	60%	16%	68%	32%	77%	24%
MEAN	4	4	6	4	4	4	2	3	5	3	4	3	5	2	4	5

Q - There are many reasons why people become self-employed. Which, if any, of the following reasons were important to you?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
I like being my own boss	53%	51%	70%	59%	58%	49%	58%	51%	69%	65%	31%	45%	58%	39%	50%	59%
I am an entrepreneur	26%	36%	18%	20%	24%	33%	19%	35%	35%	37%	4%	11%	31%	40%	43%	19%
I can work where I want to	37%	25%	45%	41%	35%	30%	40%	32%	52%	48%	22%	51%	44%	39%	22%	46%
I can work a flexible schedule and hours	50%	34%	66%	55%	50%	39%	54%	50%	58%	69%	47%	42%	50%	47%	35%	65%
There are tax advantages	9%	8%	3%	11%	3%	1%	12%	9%	16%	33%	7%	7%	7%	5%	6%	17%
The opportunity to earn more money	32%	20%	31%	25%	12%	21%	45%	36%	41%	40%	30%	18%	44%	42%	41%	33%
It allows me to transition into retirement	9%	3%	3%	12%	5%	2%	3%	5%	12%	18%	11%	4%	19%	6%	11%	13%
I lost my job with an employer	17%	28%	20%	21%	21%	25%	20%	20%	8%	21%	13%	3%	11%	14%	13%	14%
I was unable to find suitable employment generally	17%	12%	19%	22%	18%	29%	20%	12%	11%	24%	10%	11%	14%	17%	12%	24%
I was unable to find employment in my chosen field	14%	16%	15%	19%	20%	17%	15%	17%	14%	16%	10%	6%	9%	15%	9%	20%
Don't know/ can't recall	3%	3%	0%	2%	2%	1%	2%	2%	4%	2%	4%	13%	0%	2%	0%	0%
NET: Positive	86%	79%	92%	86%	85%	71%	82%	85%	94%	92%	86%	83%	96%	84%	95%	88%
NET: Negative	35%	42%	40%	44%	44%	55%	45%	37%	22%	38%	27%	15%	26%	34%	27%	39%

Q - Overall, how confident are you that you will be able to fully retire with a lifestyle you consider comfortable?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
Not at all confident	16%	10%	15%	22%	19%	32%	36%	28%	5%	10%	3%	23%	3%	20%	8%	14%
Not very confident	24%	23%	25%	19%	35%	33%	36%	23%	29%	19%	11%	28%	9%	24%	37%	22%
Somewhat confident	31%	31%	37%	34%	35%	21%	15%	23%	32%	44%	31%	22%	39%	33%	28%	33%
Very confident	18%	30%	13%	16%	4%	9%	7%	14%	15%	17%	40%	4%	36%	17%	11%	19%
Extremely confident	8%	5%	7%	4%	5%	3%	5%	9%	10%	6%	15%	9%	10%	4%	14%	9%
Don't know	3%	1%	3%	5%	2%	2%	1%	3%	9%	4%	0%	14%	3%	2%	2%	3%
NET: Not confident	40%	33%	40%	41%	54%	65%	72%	51%	34%	29%	14%	51%	12%	44%	45%	36%
NET: Very/extremely confident	26%	35%	20%	20%	9%	12%	12%	23%	25%	23%	55%	13%	46%	21%	25%	28%

Q - Looking ahead, how do you envision your transition to retirement?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
I will immediately stop working altogether and enter full retirement.	18%	10%	13%	15%	25%	37%	16%	12%	15%	11%	24%	14%	19%	10%	37%	12%
I will change the way I work (e.g. working part-time or on temporary contracts) but only for a while before I eventually give up paid work	26%	36%	16%	33%	20%	22%	23%	17%	29%	35%	39%	9%	24%	24%	13%	30%
I will change the way I work (e.g. working part-time or on temporary contracts) and I will continue paid work throughout retirement in some capacity	20%	23%	38%	16%	21%	11%	18%	24%	17%	28%	16%	1%	23%	18%	17%	29%
I will keep working as I currently do. Retirement age won't make a difference to the way I work.	23%	19%	22%	19%	20%	18%	28%	34%	23%	14%	15%	23%	29%	42%	27%	17%
Other	2%	3%	1%	2%	2%	1%	2%	2%	1%	1%	1%	14%	3%	1%	2%	3%
Don't know	11%	9%	10%	15%	12%	11%	13%	11%	15%	11%	5%	39%	2%	5%	4%	9%

Q - Which, if any, of the following are important reasons for you continuing to work to some extent in retirement?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
I expect employment to be my primary source of income while transitioning to retirement	19%	23%	3%	34%	15%	20%	17%	12%	22%	25%	14%	36%	24%	12%	26%	25%
I want to keep active/keep my brain alert	63%	67%	79%	66%	57%	49%	70%	65%	67%	79%	35%	42%	74%	81%	53%	70%
I have not saved enough on a consistent basis	26%	26%	37%	26%	41%	39%	13%	28%	26%	26%	17%	33%	16%	26%	23%	30%
My retirement income is less than expected due to the impact of the last recession	18%	17%	22%	10%	41%	29%	16%	17%	19%	14%	10%	0%	9%	24%	21%	18%
I am planning to take a career break/ time out	4%	0%	3%	3%	7%	0%	3%	0%	9%	3%	7%	0%	16%	5%	4%	1%
I enjoy my work/ career	51%	59%	62%	53%	41%	45%	54%	45%	54%	58%	38%	30%	67%	52%	54%	54%
I am concerned that social security benefits will be less than expected	28%	26%	34%	38%	28%	45%	26%	48%	28%	29%	17%	30%	0%	36%	32%	26%
I am concerned that my retirement plan benefits will be less than expected	19%	13%	24%	9%	31%	22%	30%	13%	20%	14%	9%	6%	20%	32%	32%	21%
General anxieties about my retirement income and whether my savings will last	27%	24%	36%	21%	38%	35%	32%	27%	22%	30%	27%	30%	21%	14%	32%	29%
Other reason(s)	4%	5%	3%	6%	2%	10%	4%	3%	4%	6%	1%	12%	3%	2%	5%	1%
Don't know	2%	5%	0%	3%	0%	2%	3%	0%	3%	0%	4%	0%	0%	0%	0%	3%

Q - At what age do you expect to retire from all paid employment?

	Total	Nether-lands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
40 or under	1%	0%	1%	0%	1%	0%	2%	3%	5%	0%	4%	1%	0%	2%	1%	1%
41-50	5%	1%	2%	2%	2%	1%	3%	2%	8%	5%	16%	1%	10%	4%	8%	4%
51-59	11%	1%	2%	6%	2%	2%	2%	3%	5%	5%	34%	4%	16%	14%	36%	6%
60	12%	4%	5%	9%	9%	7%	17%	6%	5%	13%	24%	4%	17%	21%	14%	14%
61-64	6%	5%	6%	3%	18%	5%	6%	16%	3%	4%	7%	2%	2%	0%	6%	1%
65	18%	15%	20%	15%	16%	32%	14%	31%	10%	16%	8%	19%	24%	26%	14%	26%
66-69	11%	33%	22%	14%	8%	27%	8%	10%	3%	11%	4%	3%	4%	5%	14%	6%
70	14%	26%	18%	16%	19%	14%	19%	16%	21%	20%	1%	13%	9%	13%	3%	17%
71+	11%	10%	12%	13%	14%	6%	16%	6%	23%	8%	1%	23%	10%	12%	0%	13%
Never	4%	4%	0%	9%	1%	0%	6%	4%	9%	6%	1%	11%	3%	1%	3%	5%
Don't know	7%	1%	12%	13%	10%	6%	7%	3%	8%	12%	0%	19%	5%	2%	1%	7%
Mean	64	67	67	66	66	66	66	65	66	65	57	69	63	64	59	65

Q - Which, if any, of the following are important retirement aspirations for you?

	Total	Nether-lands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
Living abroad	14%	16%	18%	12%	17%	6%	14%	13%	7%	15%	13%	15%	11%	15%	22%	12%
Traveling	55%	53%	64%	53%	62%	68%	59%	51%	49%	60%	46%	28%	47%	67%	56%	75%
Studying	11%	7%	6%	9%	8%	8%	2%	8%	8%	12%	19%	17%	20%	17%	10%	12%
Spending more time with friends and family	47%	43%	65%	34%	50%	49%	52%	55%	45%	49%	42%	30%	58%	42%	52%	50%
Pursuing new hobbies	42%	32%	50%	45%	35%	38%	54%	48%	41%	48%	37%	37%	41%	41%	44%	46%
Starting a business	8%	6%	0%	5%	6%	2%	1%	4%	12%	7%	11%	10%	20%	18%	12%	8%
Volunteer work	24%	22%	27%	22%	27%	17%	9%	9%	16%	41%	24%	12%	45%	33%	26%	27%
Continue working in the same field	29%	38%	35%	26%	29%	14%	28%	44%	36%	32%	12%	24%	44%	34%	29%	27%
Continue working, but in another field	9%	5%	7%	6%	8%	3%	4%	5%	6%	10%	16%	12%	15%	18%	6%	5%
None of the above	4%	5%	0%	7%	5%	2%	0%	3%	9%	6%	1%	13%	0%	1%	0%	4%
Don't know	3%	6%	2%	9%	5%	3%	5%	1%	6%	4%	0%	10%	1%	0%	0%	3%
NET: Business/ paid work	38%	45%	35%	37%	38%	17%	28%	50%	54%	43%	22%	45%	56%	48%	38%	34%

Q - Which of the following best explains your approach to saving for retirement?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
I always make sure that I am saving for retirement	34%	34%	40%	25%	27%	32%	42%	26%	36%	27%	46%	11%	52%	34%	32%	37%
I only save for retirement occasionally from time to time	22%	27%	14%	22%	25%	19%	18%	16%	19%	26%	17%	33%	28%	18%	30%	22%
I am not saving for retirement now, although I have in the past	17%	18%	17%	25%	12%	22%	13%	18%	24%	16%	18%	14%	8%	22%	11%	17%
I am not saving for retirement though I do intend to	20%	18%	17%	16%	29%	19%	15%	28%	14%	27%	18%	33%	11%	20%	23%	18%
I have never saved for retirement and don't intend to	7%	3%	12%	12%	7%	8%	12%	12%	7%	4%	1%	9%	1%	6%	4%	6%

Q - To what extent do you feel personally responsible for making sure that you have sufficient income in retirement?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
I don't feel responsible at all - 1	3%	1%	3%	2%	5%	6%	6%	14%	1%	2%	2%	0%	0%	4%	1%	3%
2	5%	3%	2%	4%	14%	11%	6%	5%	1%	5%	2%	4%	5%	6%	0%	1%
3	17%	22%	13%	16%	20%	23%	23%	10%	12%	14%	19%	23%	11%	20%	22%	10%
4	29%	28%	27%	31%	30%	26%	27%	27%	22%	36%	44%	27%	33%	20%	23%	16%
I feel very responsible - 5	46%	46%	55%	47%	31%	34%	38%	44%	64%	43%	33%	46%	51%	50%	54%	70%

Q - Thinking of your own current or likely circumstances, approximately what proportion comes from or is likely to come from each of these three broad sources?

	Total	Nether-lands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
Government	39%	42%	35%	42%	36%	57%	43%	40%	40%	47%	27%	44%	19%	44%	37%	35%
Employer	16%	24%	9%	19%	19%	11%	12%	12%	17%	12%	22%	13%	19%	14%	16%	15%
Own savings & investments	45%	34%	56%	39%	45%	32%	45%	48%	43%	41%	51%	43%	62%	42%	47%	50%

Q - Which of the following best describes your retirement planning strategy?

	Total	Nether-lands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
I have a written plan	13%	8%	10%	10%	9%	15%	11%	9%	20%	10%	16%	5%	28%	8%	22%	15%
I have a plan, but it is not written down	47%	47%	48%	34%	34%	35%	43%	56%	43%	43%	59%	33%	60%	59%	55%	43%
I do not have a plan	36%	41%	35%	52%	50%	48%	43%	30%	31%	43%	24%	46%	12%	28%	20%	42%
Don't know	4%	4%	7%	4%	7%	2%	3%	5%	6%	4%	1%	16%	0%	5%	3%	0%

Q - In the event that you are unable to continue working before you reach your planned retirement age, do you have a 'backup plan' to provide you with an income?

	Total	Nether-lands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
Yes	38%	28%	44%	29%	26%	26%	42%	41%	39%	35%	51%	14%	62%	48%	46%	35%
No	53%	66%	51%	64%	64%	60%	51%	52%	52%	57%	35%	68%	33%	47%	51%	60%
Don't know	9%	6%	5%	7%	10%	14%	7%	7%	9%	8%	14%	18%	5%	5%	3%	5%

Q - Which financial means, if any, are you currently using to prepare for your retirement? (Total represents the percentage of people using the product across all countries.)

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
Pension Insurance	1%	NA	NA	NA	NA	NA	NA	23%	NA	NA	NA	NA	NA	NA	NA	NA
A company-funded defined benefit pension plan (including cash balance plans)	11%	5%	7%	17%	7%	NA	72%	NA	8%	12%	4%	7%	NA	4%	NA	31%
Career average pension (defined benefit plan)	8%	19%	2%	4%	14%	2%	36%	NA	NA	NA	NA	NA	NA	NA	NA	48%
Company Pension Funds	1%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	13%	NA
An employee-funded 401(k), 403(b) or similar plan with employer contributions (e.g., matching contributions)	5%	12%	1%	8%	8%	2%	2%	8%	12%	4%	NA	1%	18%	4%	NA	NA
An employee-funded 401(k), 403(b) or similar plan with no employer contributions	3%	2%	2%	6%	2%	NA	13%	14%	3%	NA	NA	2%	NA	2%	NA	NA
Private pension	22%	3%	NA	31%	16%	30%	13%	16%	31%	51%	40%	4%	31%	22%	26%	NA
Employer-funded Pension Plan	1%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	10%	NA
Social Security	33%	39%	58%	44%	13%	32%	6%	16%	48%	19%	55%	39%	NA	45%	52%	15%
Other State/ Government support	4%	NA	4%	8%	NA	NA	NA	NA	NA	45%	NA	NA	13%	NA	NA	NA
Stocks	20%	16%	27%	21%	18%	12%	22%	10%	17%	22%	23%	24%	41%	6%	21%	24%
Bonds	8%	5%	5%	6%	4%	6%	6%	6%	8%	11%	6%	5%	31%	6%	9%	2%
Mutual funds	13%	15%	19%	1%	6%	10%	3%	11%	13%	27%	4%	19%	42%	17%	11%	5%
Investment-linked insurances	5%	6%	NA	5%	3%	4%	13%	12%	NA	4%	8%	2%	22%	NA	NA	NA
Savings account, etc	38%	45%	26%	40%	40%	36%	38%	14%	32%	43%	47%	35%	72%	44%	12%	34%
Investment property	17%	10%	20%	13%	20%	14%	23%	14%	11%	17%	12%	1%	40%	15%	22%	27%
Employee stock purchase	2%	3%	4%	3%	1%	1%	0%	0%	3%	1%	2%	0%	10%	1%	4%	NA
My Home	17%	20%	38%	18%	18%	8%	10%	18%	19%	24%	9%	3%	26%	16%	15%	29%
Reverse mortgage, etc	2%	13%	1%	4%	NA	NA	NA	NA	3%	6%	NA	2%	NA	NA	NA	2%
My business	14%	17%	15%	9%	16%	11%	15%	12%	15%	11%	10%	12%	17%	10%	18%	22%
Inheritance	13%	13%	15%	16%	10%	16%	11%	14%	6%	15%	7%	14%	23%	10%	13%	13%
Annuities	7%	11%	29%	5%	5%	2%	2%	2%	5%	3%	7%	13%	9%	11%	2%	2%
Long term care insurance	3%	NA	2%	1%	1%	3%	17%	0%	5%	3%	3%	0%	15%	NA	NA	2%
Life insurance	19%	18%	21%	7%	24%	9%	30%	21%	18%	21%	22%	17%	43%	12%	14%	11%
Direct insurance/pension pool/pension fund – financed by employer	2%	9%	3%	NA	20%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Direct insurance/pension pool/pension fund - deferred compensation	2%	3%	1%	NA	30%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Products specific to local countries	7%	NA	16%	32%	NA	1%	NA	NA	NA	NA	NA	NA	64%	NA	NA	NA
Other	7%	4%	11%	4%	4%	7%	12%	17%	5%	9%	5%	8%	1%	11%	1%	4%
None/ nothing	9%	6%	11%	11%	13%	12%	2%	16%	16%	9%	3%	15%	0%	9%	4%	11%
Don't know	3%	9%	2%	6%	6%	3%	2%	1%	7%	4%	1%	7%	1%	2%	3%	0%
NET: Defined benefit plan	17%	24%	8%	20%	20%	2%	75%	NA	8%	12%	4%	7%	NA	4%	13%	70%
NET: Defined contribution plan	10%	14%	5%	13%	38%	2%	15%	21%	15%	4%	NA	3%	18%	6%	10%	NA
NET: Gov't social security/support	36%	39%	59%	49%	13%	32%	6%	16%	48%	46%	55%	39%	13%	45%	52%	15%

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