

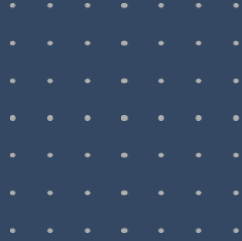
# CCPC Pensions Research 2024

July 2024



Coimisiún um  
Iomaíocht agus  
Cosaint Tomhaltóirí | Competition and  
Consumer Protection  
Commission





# 1. Introduction



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Iomaíocht agus  
Cosaint Tomhaltóirí

Competition and  
Consumer Protection  
Commission



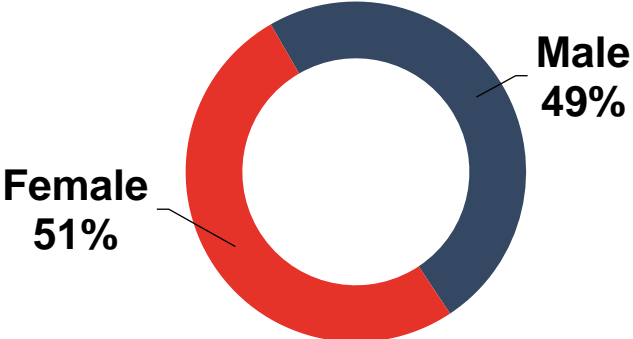
# Objectives & Methodology

- To understand current retirement planning in 2024. This follows similar studies conducted in 2022 and 2023.
- To measure:
  - Ownership of pensions
  - Reasons for not having a pension in place
  - Other forms of retirement planning currently in place or expected to be used
  - Expected age of retirement
  - Expected living situation when retire
  - Contact with a financial advisor
  - Review of pension arrangements
- Questionnaire was designed by Ipsos B&A in consultation with the Competition and Consumer Protection Commission.

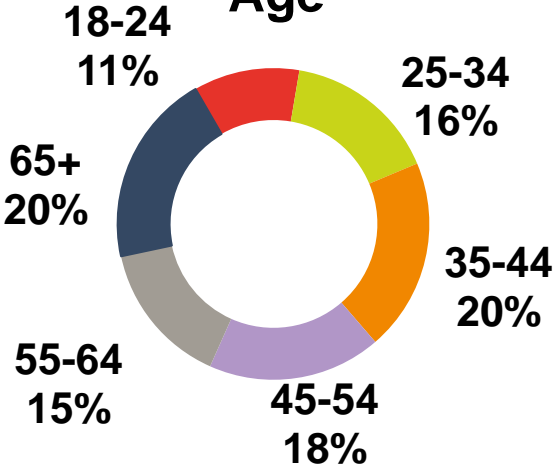
- 739 interviews with adults aged 18+ who are not yet retired.
- Survey conducted through computer-assisted telephone (CATI) interviews, with fieldwork conducted between 1st and 14<sup>th</sup> July 2024
- Data are weighted in line with the most up-to-date population estimates for gender, age, social class and region.

# Demographics Of Respondents (Weighted)

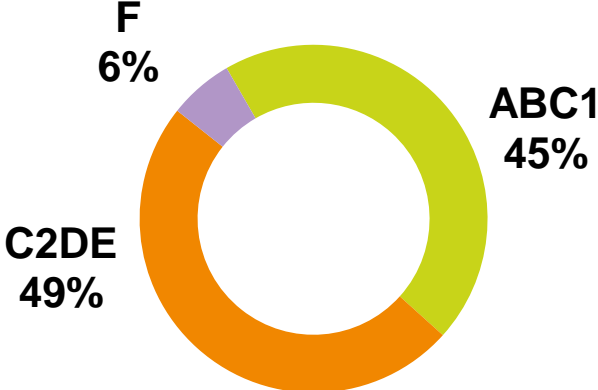
**Gender**



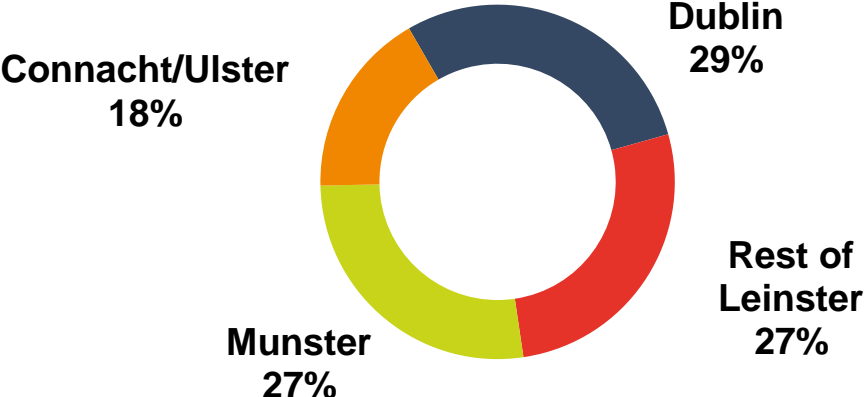
**Age**



**Social Class**



**Region**



# Executive summary

- Roughly 6 in 10 of adults not already retired have a pension which is similar to that measured in 2023.
- While most of those with insufficient retirement planning are from younger age groups, around 1 in 5 of 45 - 64 year olds do not currently have a pension.
- 21% currently have no retirement arrangements in place, 4 percentage points higher than in 2023, but 4 percentage points lower than in 2022. This is highest among 18 - 24 year olds (46%), social class DE (45%) and men (23%).
- Two thirds (66%) have never talked one-to-one with a financial advisor, highest among those aged under 35 (90%), men (70%) and social class DE (84%). Those who have talked to a financial advisor report finding one through their employer (32%) followed by recommendation from friends and family (25%).
- Just over half (51%) always or generally review their annual pension statements. This is higher among those in social class AB (73%).
- Cash savings play a strong role in retirement planning with 51% intending to use these (lower than in 2023). This is particularly relevant for women (54%) and those in social class C1 (60%).





# 2. Findings



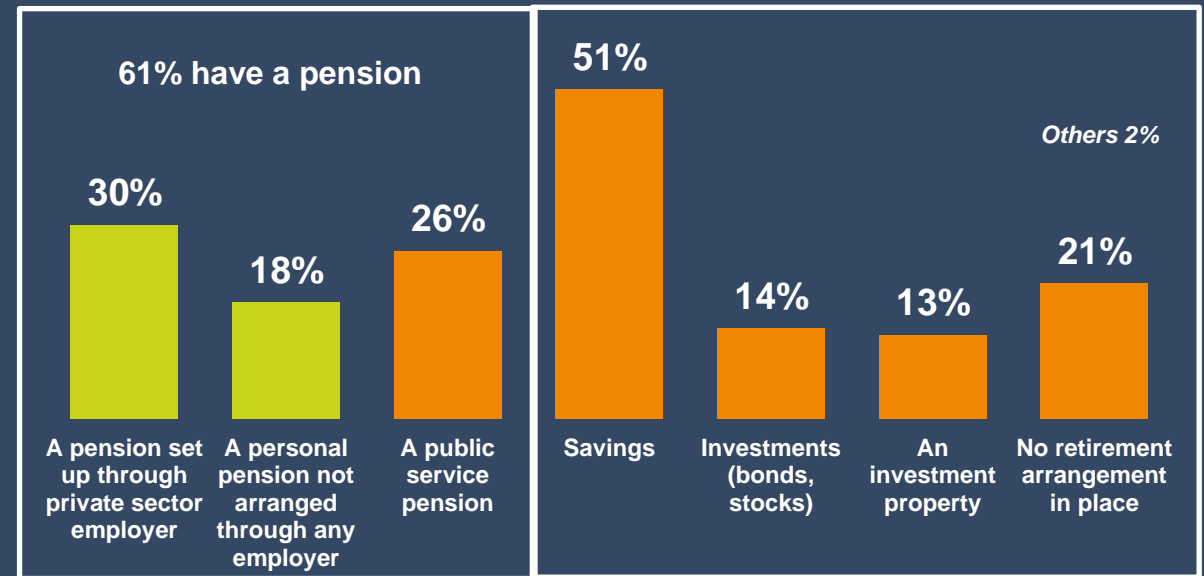
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Commission**



# 61% have a pension, while over 1 in 5 currently have no retirement arrangements in place

- 61% have a pension. This is broadly aligned with previous measurements in 2023 and 2022 (62% and 63% respectively).
- Pension ownership remains lowest in the 18-24 age group where 22% have a pension. The majority of older age groups have a pension. It increases across age groups, rising to 70% of 45 - 54 year olds before declining again to 53% of 55 - 64 year olds.
- No gender difference is observed in this year's survey in terms of overall pension coverage, however women are more likely than men to report having a public service pension (31% and 21% respectively)
- The use of savings (51%) as a way to fund retirement has declined slightly by 6 percentage points compared to last year (57% in 2023).

## Types of retirement arrangements currently in place



	48%*					
2023	45%*	34%	57%	10%**	-	17%***
2022	44%*	31%	45%	14%**	-	25%***

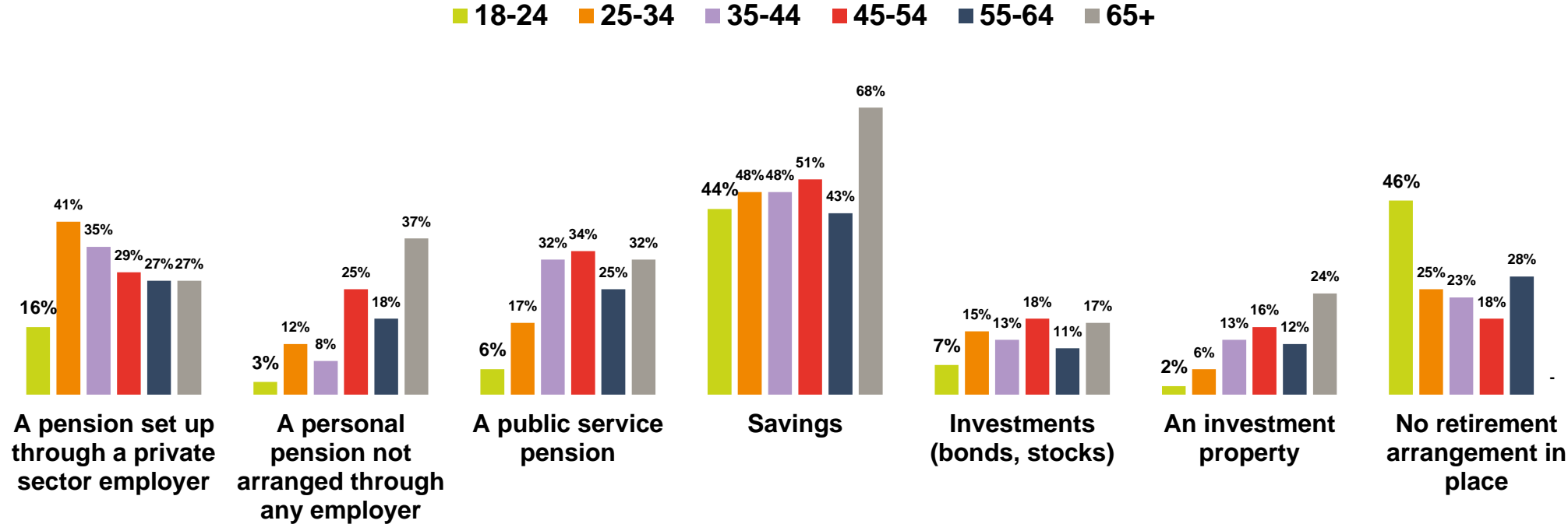
Q.2 Which, if any, of the following arrangements do you currently have in place that you will use to fund your retirement?

Base: All aged 18+ not currently retired: 739

In 2022 and 2023: \*these two options were combined in the following single category 'A private pension or PRSA', \*\*this option was 'Stock market investments', \*\*\* this option was 'None of these'

# 46% of those aged 18 - 24 have no retirement arrangements currently in place (2023:41%)

## Types of retirement arrangements currently in place by age groups

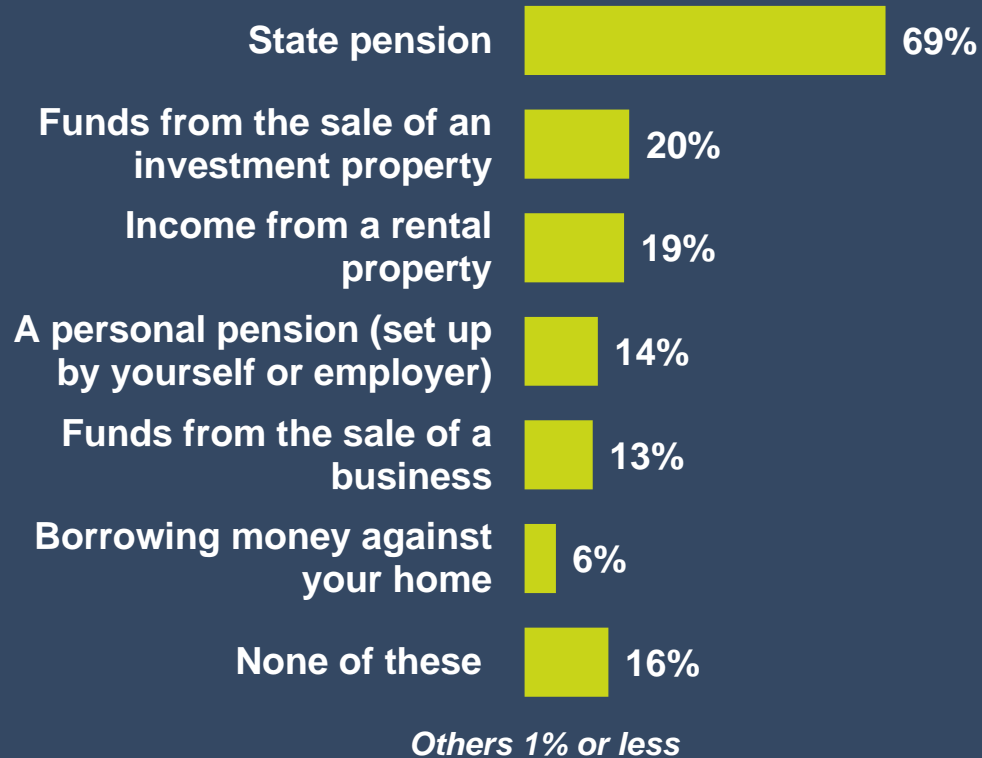


Q.2 Which, if any, of the following arrangements do you currently have in place that you will use to fund your retirement?  
 Base: All aged 18+ not currently retired: 739



# 69% plan on using a state pension to fund their retirement

## Other types of funding expected to be used in retirement



	2023	2022
State pension	64%*	66%*
Funds from the sale of an investment property	22%**	24%**
Income from a rental property	17%	23%
A personal pension (set up by yourself or employer)	-	-
Funds from the sale of a business	10%	14%
Borrowing money against your home	11%***	15%***
None of these	22%	18%

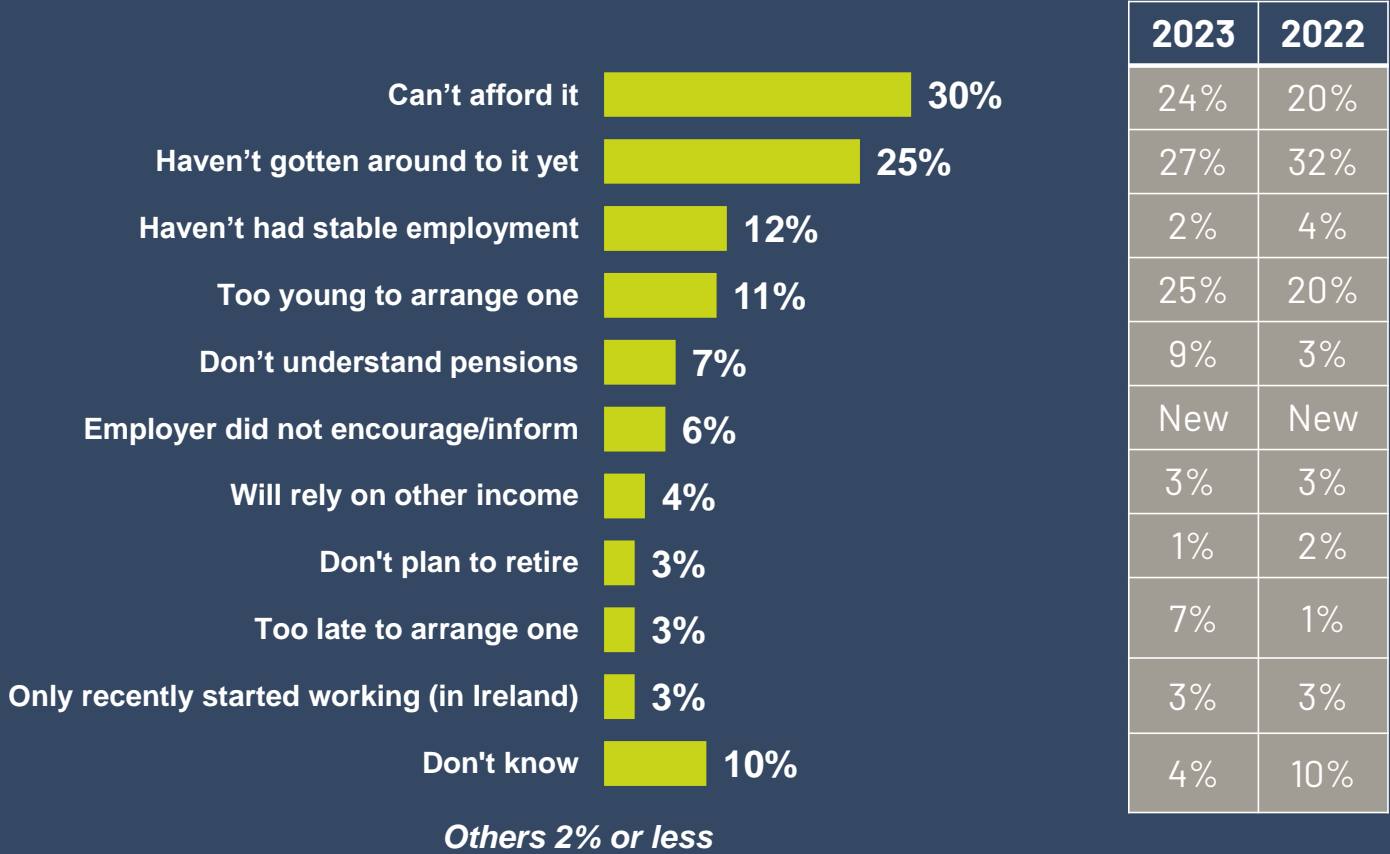
- Under-35s are less likely to expect to use the state pension (55%), however this could be a function of possible lower levels of awareness/understanding.
- Those living in Dublin and amongst social class AB are the most likely to plan using funds from the sale of an investment property (Dublin 29%, AB: 36%) and/or to use income from a rental property (Dublin: 27%, AB: 31%).
- 23% of those in social class C2DE do not expect to use any of these arrangements to fund their retirement, declining to 8% of ABC1s.

Q.3 And which, if any, of these do you expect you may also use to fund your retirement?  
 Base: All aged 18+ not currently retired: 739

In 2022 and 2023: \*this option was 'State contributory pension', \*\* this option was 'Funds from the sale of property/land', \*\*\*this was 'Releasing equity from your home'

# Cost of living, inertia and age remain the key reasons for not yet having a pension arrangement in place

## Reasons for not having a pension in place



- Cost of living pressures are more pronounced in this year's results with 30% saying they don't have a pension because they can't afford it.
- Just over one third (35%) of 18-24 year olds believe they are too young to arrange a pension (note, small sample of 66). This has declined by 14 percentage points since 2023 (49%).
- In general there is little socio-demographic difference in perceived obstacles to pension ownership indicating the persistence of these barriers.

Q.4 For what reasons do you not have a pensions arrangement in place currently?  
 Base: All not retired and who do not have a pension: 288

# Reasons for not having a pension arrangement in place by age

	Total	18-34	35-54	55-65+
	<b>(288)</b>	<b>(119)</b>	<b>(93)</b>	<b>(76)</b>
	%	%	%	%
Can't afford it	30	21	32	43
Haven't gotten around to it yet	25	37	22	8
Haven't had stable employment	12	17	14	3
Too young to arrange one	11	22	6	-
Employer did not encourage/inform	6	7	7	5
Don't understand pensions	7	6	12	-
Will rely on other income	4	4	-	8
Don't plan to retire	3	3	-	5
Too late to arrange one	3	-	2	8
Only recently started to work	3	4	1	2
Don't know	10	7	15	8

Q.4 For what reasons do you not have a pensions arrangement in place currently?  
 Base: All not retired and who do not have a pension: 288

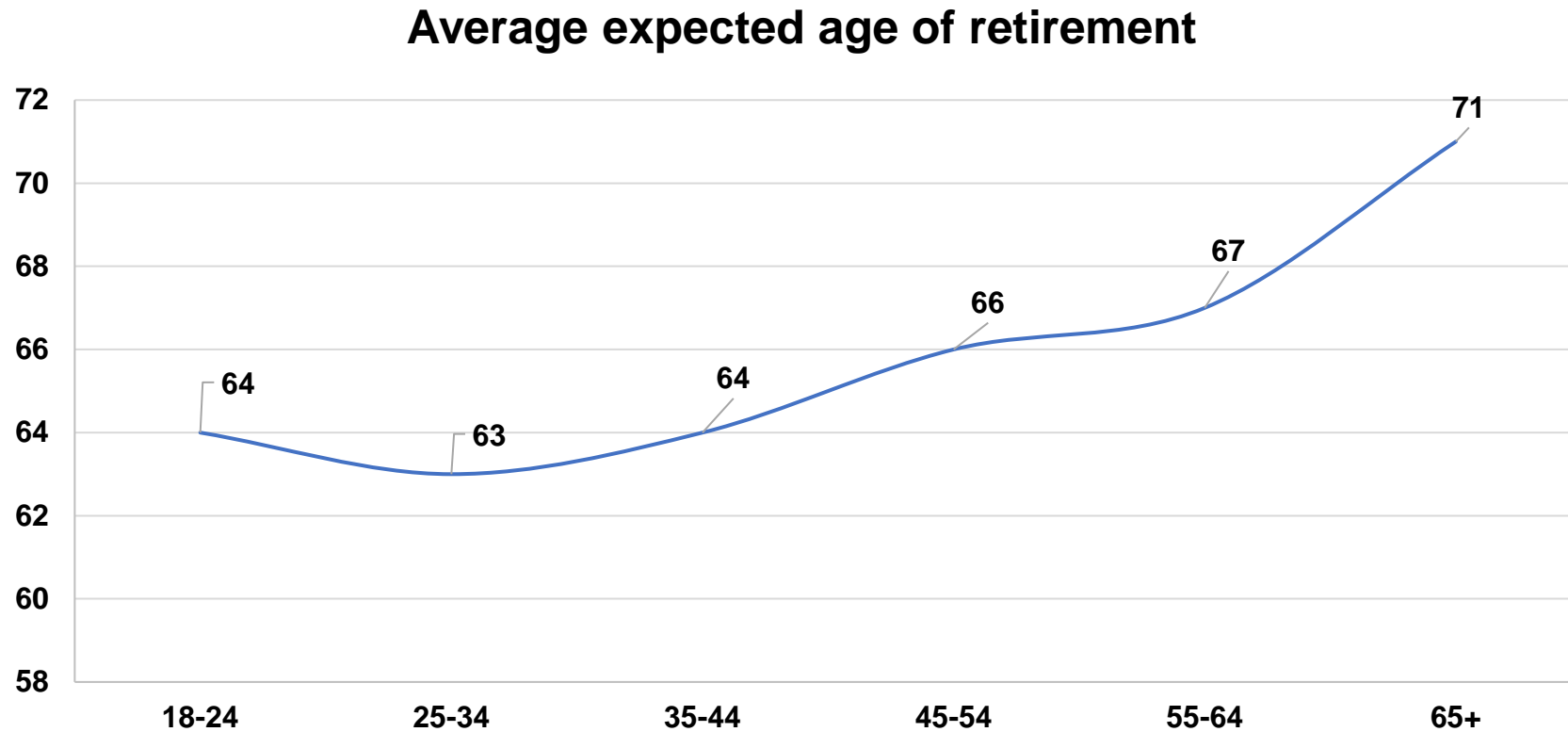
# Expected Retirement Age

- One quarter of respondents (25%) report that they expect to retire at age 65, with 11% expecting to retire at 66 and 6% at 67.
- 12% expect to retire at age 70 and 10% expect to work beyond this.
- 19% expect to retire before turning 65. This is more common among those aged under 35 (29%).
- 23% of men expect to work to age 70 or beyond, compared with 19% of women.



Q.5 At what age do you expect to retire?  
Base: All aged 18+ not currently retired: 739

# Average expected age of retirement by current age (excluding those currently retired)



- Average expected age of retirement increases with respondents' age, with those aged between 18 and 44 expecting on average to retire between 63 and 64 years old while those 65+ expect to retire at 71 years old.

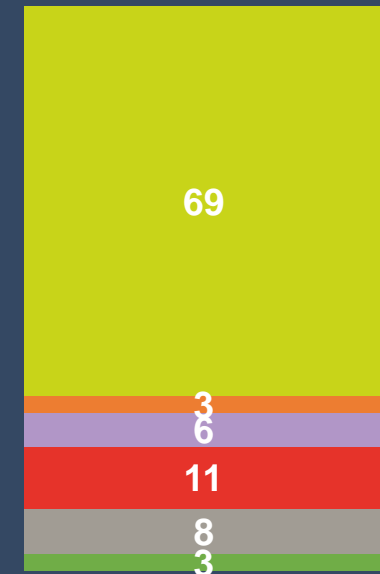
# 69% expect to own their home outright with no mortgage by the time they retire

## Expected living situation when retired

- The majority of all age groups expect to own their home outright when they retire.
- However, notable lifestage differences with 14% of under 35s expecting to be renting their home when they retire.
- 9% of 35 - 44 year olds expect to be still paying off their mortgage when they retire.

- I will already own my home outright with no mortgage
- I will use my pension lump sum to pay off my mortgage
- I will still be paying a mortgage into retirement
- I will be renting my home
- I will have some other arrangement
- I don't know

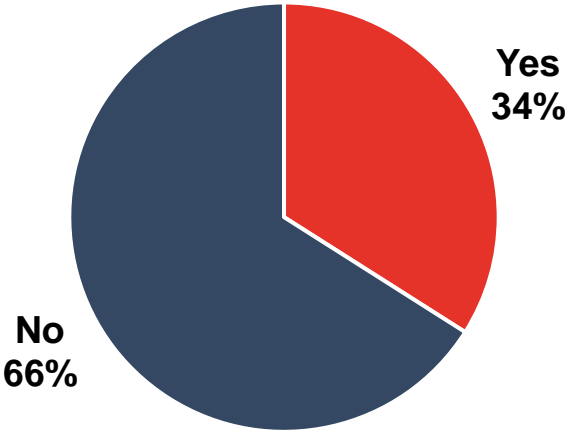
Expected Living Situation  
%



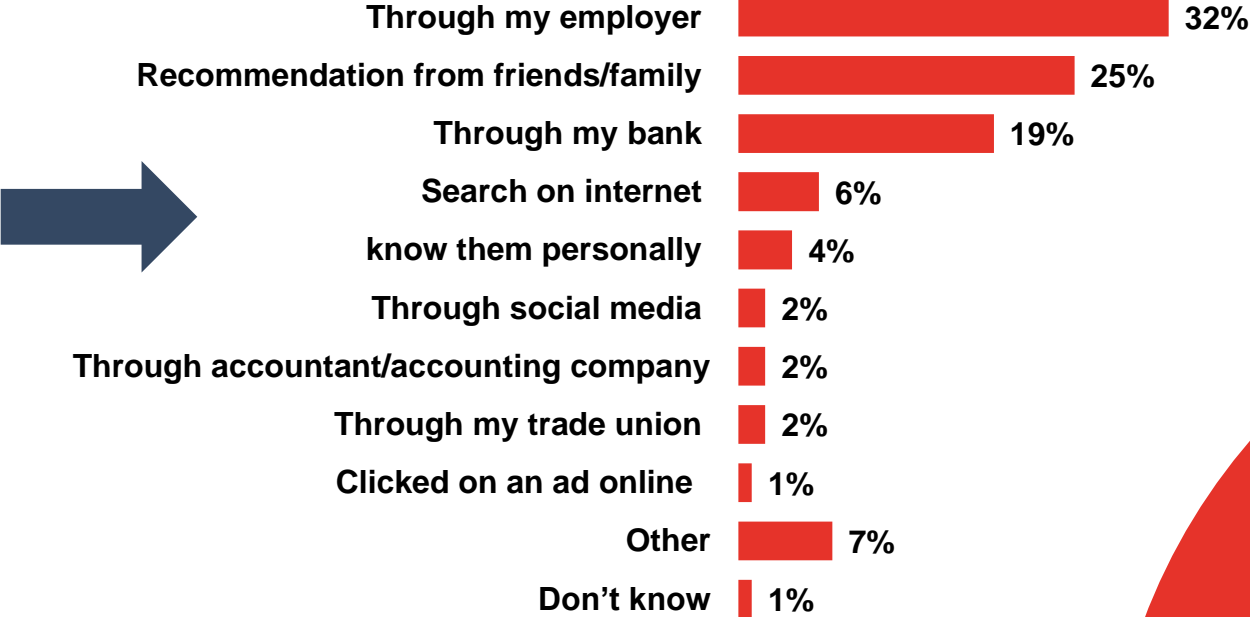
# 34% have spoken with a financial advisor for advice on their retirement, although it falls to 10% of under-35s

## Financial Advisor

Ever talked one-to-one to a financial advisor for advice on your retirement or pensions



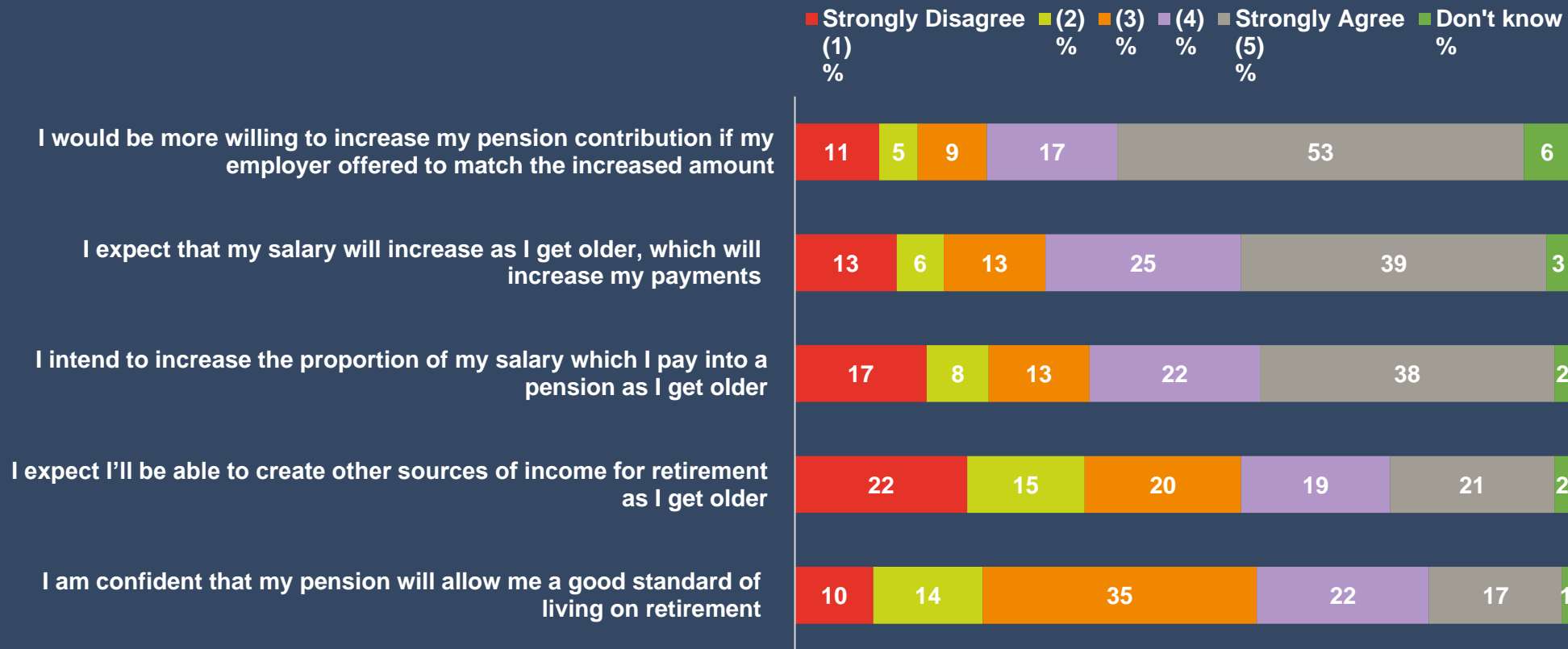
How found most recent financial advisor



Q.7 Have you ever talked one-to-one to a financial advisor for advice on your retirement or pensions? (New question)  
Base: All not currently retired: 739  
Q.8 How did you find your most recent financial advisor you spoke to?  
Base: All who have yes at Q.7: 250

# 39% strongly agree that they expect their salary to increase as they get older which will increase their payments

## Rating of agreement



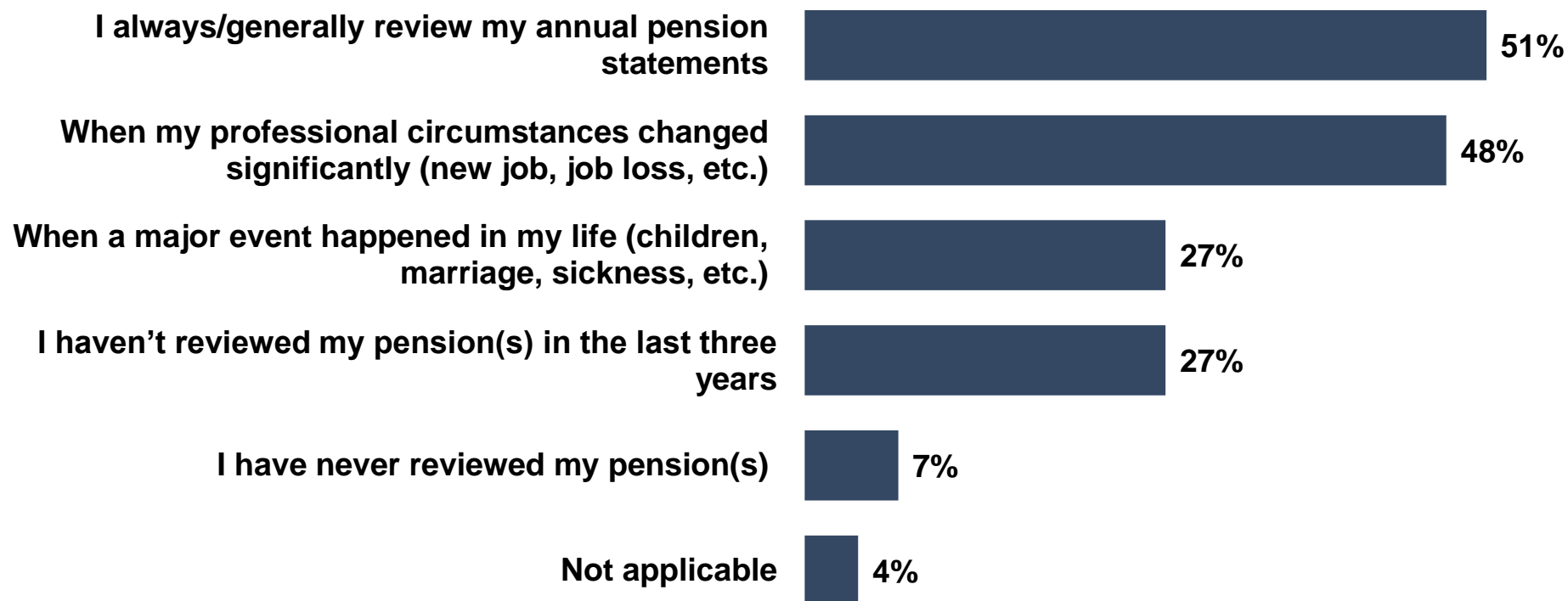
Q.9 Please listen to the following statements and indicate how much you agree or disagree with each? Please use a scale from 1 to 5 where 1 is Strongly Disagree and 5 is Strongly Agree, you can use any point along the scale: (New question)

Base: All not retired and who have a pension: 451



# 51% always or generally review their annual pension statements

When do people review their pension to see if it will meet their needs in retirement





For inquiries, please contact  
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