

Press Release

PR/10/10

8th March 2010

Only One In Three Confident in Pension Income

Only a third (34%) of working people believe that their pension will give them enough money in retirement according to new research¹ from the National Association of Pension Funds.

The research also examined what would make people more likely to save into a pension. Just over a quarter (27%) said they would be more confident in pension saving if they were sure they would not lose any of the money paid in. A further quarter of people (26%) stated they would like a guarantee that their pension income would not run out before they died.

Despite current interest in allowing people early access to part of their pension, only 10% of people responded that this would make them more confident in pension saving.

44% of respondents still said that a pension was the best way to save for retirement – far outstripping property on 18%, and well ahead of any other form of saving.

NAPF Director of Policy Nigel People said:

“It is clear that people greatly value pensions. They consider pensions to be the best way to save for retirement – far ahead of property - and over three quarters value an employer more if they offer a workplace pension.

“People want their pension to provide them with certainty, in particular they want to be sure they won’t lose money. This issue of how best to invest pensions will be examined at our Investment Conference this week.”

Other key findings from the survey show:

- Over three-quarters (77%) of employees said that they would consider an employer who offered a workplace pension more positively than one who does not.
- Pensions remain the most important employee benefit on top of salary that an employer can offer. 38% of people now choose pensions as the most important benefit. A bonus (19%) and flexible working (13%) were the next 2 choices.
- Of people who are saving into a pension, 17% intend to increase their contributions over the next year. This compares with 8% that intend to reduce or stop contributions. The remainder do not intend to make any changes.

ENDS

Notes to Editors

- 1 Research on the views of employees was carried about by Populus among 1,248 GB full and part time employees aged 18-64 between 17th and 24th February 2010.
- 2 Full details of the NAPF’s Workplace Pension Survey can be found here - <http://www.napf.co.uk/policy/research.cfm>.

About the National Association of Pension Funds

The NAPF is the leading voice of workplace pensions in the UK. We speak for 1,200 pension schemes with some 15 million members and assets of around £800 billion. NAPF members also include over 400 businesses providing essential services to the pensions sector.

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