SOUTH AFRICA'S RETIREMENT CRISIS

The results of the 2013 Sanlam BENCHMARK Survey show where employees are going wrong with their retirement planning – leading to a grim reality for our pensioners...

MISTAKES

MADE BY EMPLOYEES DURING WORKING LIFE

VS

56% start saving at 28 – recommended age 23.

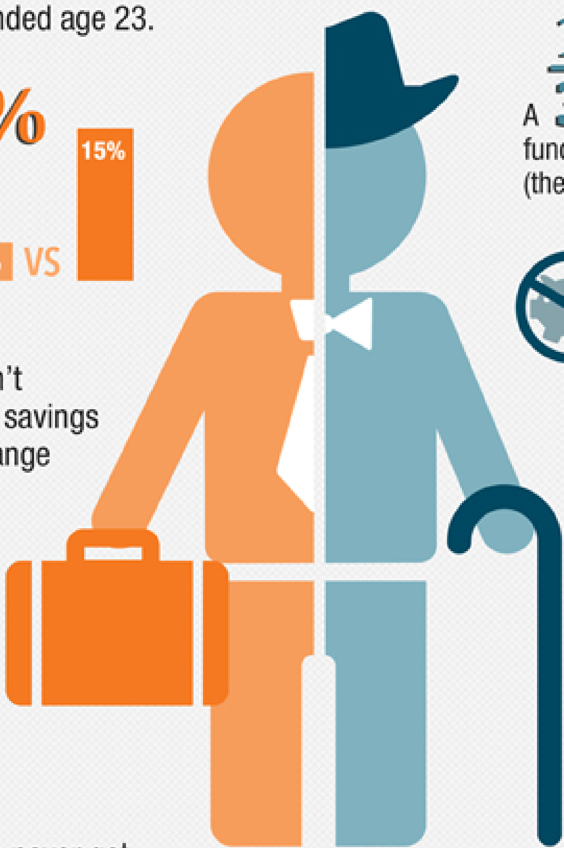
On average we invest only **7%** of our salary every year – 15% is minimum needed.

7% VS 15%

62% of us don't reinvest our retirement savings for retirement if we change jobs or are retrenched.

90% of us don't relook retirement savings after initially signing up.

38% of us never get professional advice about our retirement savings.



REALITIES

AFTER RETIREMENT

51% of South Africa's pensioners can't make ends meet.

A **$\frac{1}{3}$** of pensioners don't have enough funds to cover their medical expenses (their second biggest expense).

61% are unable to save for a 'rainy day' fund after retirement due to pressures of expenses.

33% are still in debt after they stop working and **53%** still have adult dependants to support.

62% would strongly advise the youth of today to start their saving and planning for retirement EARLY.

WHAT YOU NEED TO RETIRE COMFORTABLY:

After working for **10 years**, you need to have saved: **2 x** your annual salary.

5 years =	1 x salary	25 years =	6 x salary
10 years =	2 x salary	30 years =	7 x salary
15 years =	3 x salary	35 years =	10 x salary
20 years =	4 x salary	40 years =	12 x salary

Source: www.sanlambenchmark.co.za Design: Lilian van Zyl