

Prudential Reveals Workers Beyond Retirement Age To Double In 10 Years



Released on: November 12, 2009, 8:33 am

Author: [Prudential](#)

Industry: [Financial](#)

Prudential has revealed that UK businesses are bracing themselves for a surge in staff looking to delay retirement with around 1.8 million people expected to be working beyond traditional retirement ages in just 10 years.

The findings from new research* commissioned by Prudential among finance directors at UK businesses found 24% of companies expect staff to work beyond retirement age in the next 10 years, with the proportion of people in the workforce who are past traditional retirement ages expected to more than double to 1.8 million people**.

Larger companies expect to see an even greater proportion of their workforce working beyond retirement, with 39% of finance directors at larger firms expecting to have to accommodate requests from staff to work longer.

UK companies anticipate this will mean around 6.3% of their workforce (equivalent to 1.8 million people across the UK working population) will be made up of people working beyond statutory retirement ages in 10 years, more than double the current proportion of 2.6% of company workers (equivalent to around 752,700 people***) who currently work past retirement.

The study also found that in the past 12 months alone, 7% of finance directors have reported an increase in the number of employees asking to work past traditional retirement ages.

Martyn Bogira, Prudential's Director of Defined Contribution Solutions, said: "As health and longevity continue to improve and people look to fund a longer life in retirement, it is inevitable that compromises have to be made.

"The statutory retirement age for men and women is due to rise to 68 by 2046, so working longer will be a fact of life for those entering the workforce today but these findings suggest that increasing numbers of pensioners will be forced to work later far sooner than this. Employers have told us that their staff costs could rise as their employees work for longer.

"Workers face the stark choice of either having to save more for their [pension](#) from an earlier age or having to work longer if they are to avoid taking a significant drop in their standard of living in [retirement](#). Early pension saving is critical and we strongly encourage people not to delay starting a pension."

The research also identified a clear North/South divide. Companies in the north of the country expect an average of 16.2% of their staff to work past the statutory retirement age compared with an average of 2.4% in Greater London and the South East.

- ENDS -

The information contained in Prudential UK's press releases is intended solely for journalists and should not be used by consumers to make financial decisions. Full consumer product information can be found at www.pru.co.uk

Notes to Editors:
* Survey conducted by Continental among 507 financial directors of UK companies, 300 from small and medium sized organisations and 207 from large companies. Survey was conducted in October 2009.
** ONS Labour Market statistics: There are currently 28.95 million people in the UK in full and part time employment. 1.8 million = 28.95 x 6.3%.
*** 752,700 people = 28.95 x 2.6 per cent.

About

Prudential

"Prudential" is a trading name of The Prudential Assurance Company Limited, which is registered in England and Wales. This name is also used by other companies within the Prudential Group, which between them provide a range of financial products including life assurance, pensions, [annuities](#), [equity release](#), savings and [investment](#) funds. Registered Office at Laurence Pountney Hill, London EC4R 0HH. Registered number 15454. Authorised and regulated by the Financial Services Authority.

Media enquiries:

Juliette Emblem
Prudential
3 Sheldon Square
Westminster
London
W2 6PR
020 7150 3177
www.pru.co.uk

~~~~~

Press release distributed via EPR Network (<http://express-press-release.net/submit-press-release.php>)