

Press release
 Results of the 2016 survey on pensions in Belgium:

6 out of 10 Belgians plan to retire after reaching 65 years of age

- One third of non-retired people plan to retire at 65, while 28% plan to do so after reaching 66 years of age.
- 72% of non-retired people would be willing to work after the age of 65, especially in case of financial need.
- However, 74% of non-retired people are opposed to increasing the legal retirement age.
- 72% of non-retired people do not think that their pension will be sufficient to maintain a decent standard of living.
- 63% of Belgians are in favour of establishing a compulsory supplementary pension.

Brussels, 14 October 2016. The exclusive results of the third edition of the OGEO FUND-IPSOS opinion survey on the future of pensions in Belgium have been presented today at the annual seminar held by OGEO FUND in Brussels. The survey report shows a significant change in Belgians' attitudes to their pensions. This survey also reveals Belgians' views on the Federal Government's pension reforms.

Retirement

Belgians are beginning to consider the voluntary increase in retirement age: 33% of non-retired people plan to retire at the current legal age of 65. However, 28% now intend to retire after 65, a significant increase compared to 2014, when the figure was just 7%. There continue to be substantial differences of opinion between regions: 46% of non-retired people in Flanders plan to retire before 65, while only 26% of the inhabitants of Brussels are of the same opinion.

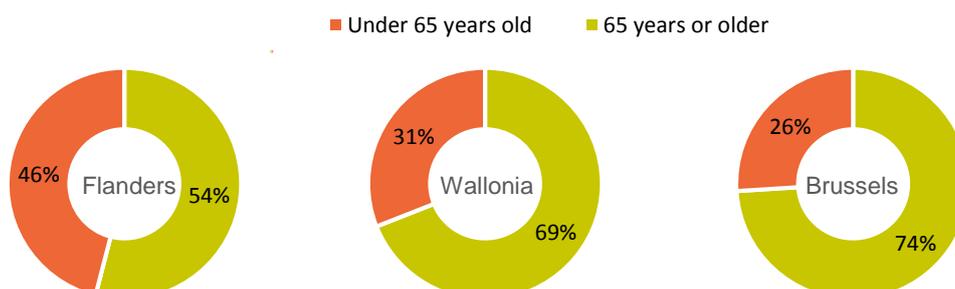
Many non-retired people (72%) would be willing to work after the age of 65 if necessary. For more than half of non-retired Belgians (53%), the main factor encouraging them to retire later than planned remains the possibility of working part-time and retaining retired status without being penalised in tax terms. The need for financial resources is still the second most important factor, with a slight increase compared to 2015 (48%, versus 44% in 2015).

46% of the economically active population, a marked increase compared to previous years (37% in 2015 and 33% in 2014), estimate that upon retirement, their income will be at least 70% of their final net salary. This optimistic estimate is further shared by public sector employees (53%) and private sector employees (43%).

Expected retirement age of non-retired people in Belgium (2016)



Expected retirement age by region (2016)



(Source: OGEO FUND-IPSOS 2016 annual survey)

Preparing for retirement

Only 44% of non-retired people have a supplementary pension scheme with their employer. They are mainly males, private-sector workers and inhabitants of Flanders. Only 36% of working women have a supplementary pension scheme, compared to 55% of men. At regional level, less than one third of the inhabitants of Brussels have a supplementary pension (32%), while 51% in Flanders do.

Just 20% of non-retired people feel that they have enough information about their pension (compared to 17% in 2015 and 22% in 2014). It should be noted that 64% of non-retired people know about the site mypension.be and that 8 out of 10 visitors found all or some of the information they were looking for.

72% of non-retired people do not think that their pension will be sufficient to maintain a decent standard of living. This belief is strongest in public sector workers: 66% today, compared to only 58% in 2015 and 47% in 2014. Furthermore, 67% of non-retired people say that they have already started saving for retirement. 82% believe that receiving an estimate of their state pension early in their professional career would encourage them to better prepare for retirement.

Future of pensions

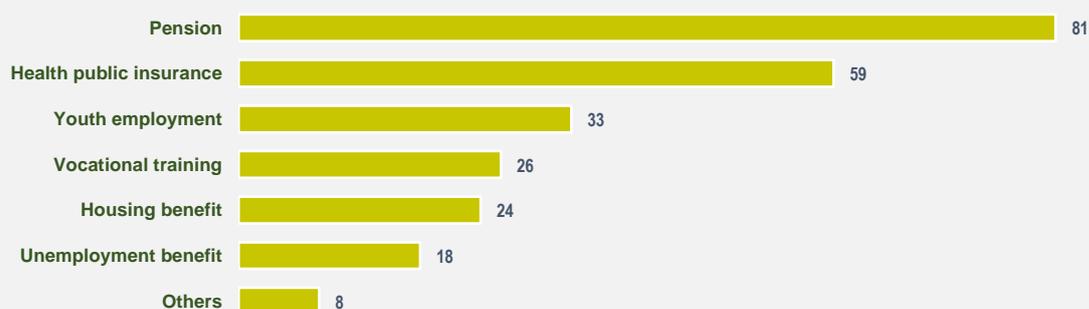
More than 6 in 10 Belgians say that they are in favour of the compulsory establishment of a supplementary pension (63%): 65% of private sector workers are in favour, whereas only 54% of public sector workers are. Saving within the context of a supplementary pension fund financed by the employer and employee (42%), and reducing tax in the event of retirement after the legal age (43%) remain the preferred measures for maintaining the value of pensions in the future.

The reforms undertaken by the government that are most attractive to respondents are the option to combine part-time work with retirement (85%), as well as arduousness of the work being taken into account in the pension calculation system (83%), the introduction of "mixed pensions" for the public sector (67%), and the harmonisation of schemes to take years of study into account when calculating pensions (64%). However, only 26% of non-retired people are convinced about raising the legal retirement age to 66 in 2025 and 67 in 2030. Increasing the age of early retirement from 62 to 63 from 2018 convinces less than half of non-retired people (42%), especially men, under 50s and those living in Brussels.

Lastly, 48% of Belgians support making the guaranteed rate of return for supplementary pension plans variable and evaluating it every year.

Pension funding: primary area of concern for Belgians

The OGEO FUND-IPSOS 2016 survey also included a question about the relative ranking of concerns for Belgians in relation to the major areas of government spending. More than 8 out of 10 Belgians said that they are in favour of pension funding in response to the question "In your opinion, in which area should the public authorities ensure adequate funding in the coming years?"



(Source: OGEO FUND-IPSOS 2016 annual survey)

About

The survey commissioned by OGEO FUND was carried out by IPSOS among a representative sample of 1,070 people in the Belgian population, aged between 25 and 70. IPSOS ensured optimum distribution of respondents according to their sex, region of residence, family situation and professional status.

OGEO FUND, the fifth largest pension fund in Belgium, manages (1st pillar) statutory pensions for public and parapublic institutions: cities and municipalities, provinces, municipal communities, Public Centres for Social Welfare (CPAS), etc. OGEO FUND was founded in July 2007 under the legal form of a pension funding agency (Organisme de Financement de Pensions - OFP), as introduced and regulated by the Belgian law of 27 October 2006. In April 2008, OGEO 2 PENSION was created to offer a supplementary pension solution (known as extra-legal, second pillar pensions) for contractual staff and private sector employees.

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