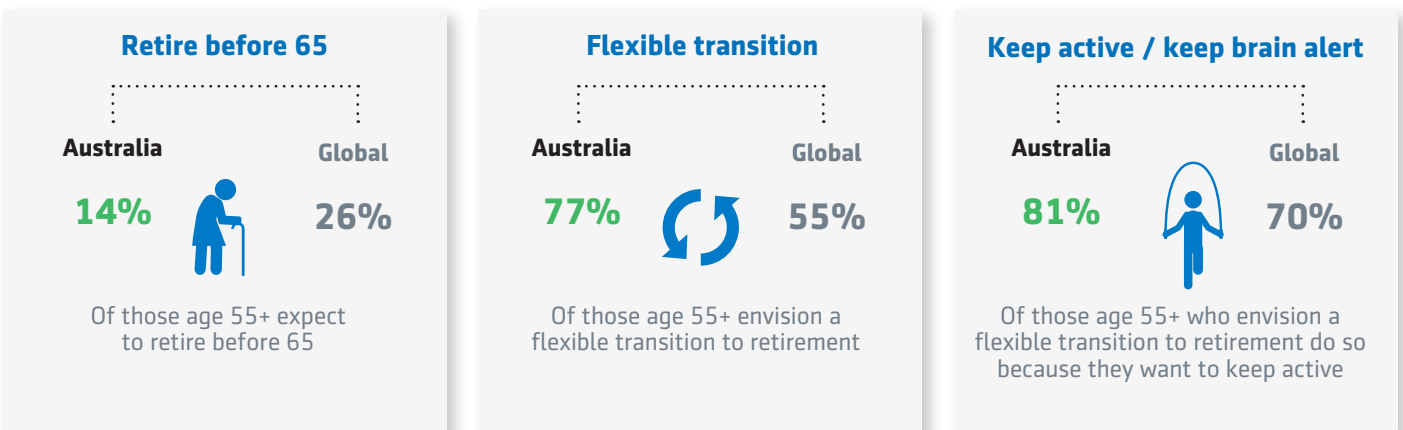


## How is flexible retirement viewed in Australia?

Australia has many programs in place to accommodate flexible retirement. Retirement ages have increased to make pensions more sustainable. The tax system also provides stronger financial incentives to work longer. The Department of Social Security allows older workers to have substantial income sources while receiving Age Pension, the system of income support. There are also incentives to remain in employment including part-time or casual employment through the combined application of the pension income test and the Work Bonus (this provides flexible tax benefits to all those above pensionable age who wish to keep working). Workers with a Superannuation retirement plan are given incentives to reduce their work hours if they wish and withdraw a "Transition to Retirement pension" which is favorably taxed. This essentially enables workers to move from full-time to part-time work and complement their income with the Transition to Retirement pension. Introduced in 2005, about 20 percent of workers over age 55 have participated in this program. In contrast, looking to the future, 70 percent of Australians in our survey envision a flexible transition to retirement, the second highest among the 15 countries we surveyed.

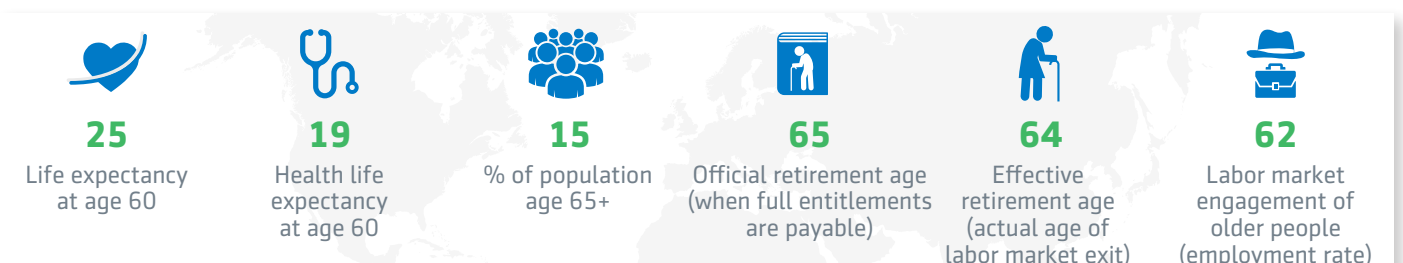
## How do workers envision their retirement?



## Are employers supporting a flexible retirement?



## Key country indicators



This country profile is part of the report “*The New Flexible Retirement*” and contains research findings from the fourth annual Aegon Retirement Readiness Survey.

### Sources of the key country indicators included in this country profile:

- Life expectancy at age 60: World Health Organization, Global Health Observatory Data Repository
- Health life expectancy at age 60: The Institute for Health Metrics and Evaluation, Global Burden of Disease Study, 2010
- Percentage of population age 65 plus: World Bank
- Official retirement age (when full entitlements are payable): OECD Pensions at a Glance 2015\*
- Effective retirement age (actual age of labor market exit): OECD Society at a Glance 2014\*
- Labor market engagement of older people (employment rate): International Labour Organisation, Employment-to-population ratio by sex and age

\* where the official and effective retirement age is different for men and women, we have calculated an average

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The Aegon Center for Longevity and Retirement (ACLRL) is a collaboration of experts assembled by Aegon with representation from Europe, the Americas, and Asia. The Center’s mission is to conduct research, educate the public, and inform a global dialogue on trends issues, and opportunities surrounding longevity, population aging, and retirement security. [www.aegon.com/thecenter](http://www.aegon.com/thecenter)

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