



OUR FUTURE

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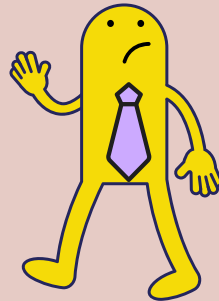
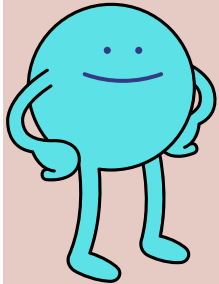
a millennial view
of pension reform

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What is the retirement age in Croatia?

The majority of participants (70%) knows that the retirement age is 65 years, but others believe that number is already up to 68.

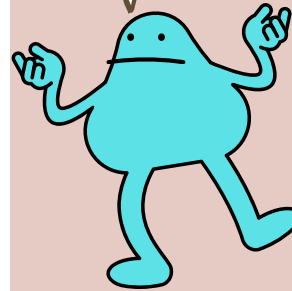
It is planned that every year, the retirement age should increase by three months up to 67 years. Or 69, who knows?



And what is the average life expectancy here?

For those born in the year 2000, the average life expectancy is 68.78 years.

The expected time spent with good health in Croatia is low by European standards: only 58.7 for women and 57.1 for men.

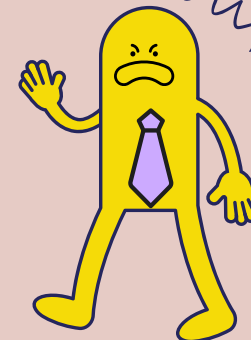
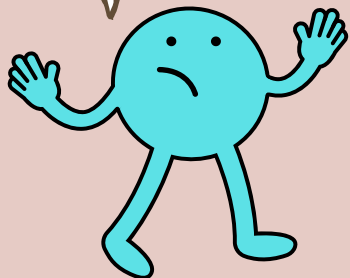


80% of participants answered this incorrectly thinking that pensions are higher.

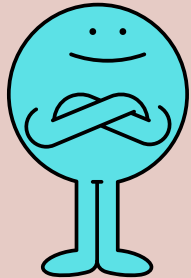
What is the average pension?

The average pension in Croatia is 2 525 kuna, but 650 000 pensioners have less, and 263 000 of them receive only 1 692 kuna. We have 200 000 pensioners with the full 40 years of work experience, but even they receive only 3500 kuna per month.

There is worse, however 90 000 people receive a pension of less than 500 kuna. The average pension in that range is 233 kuna.



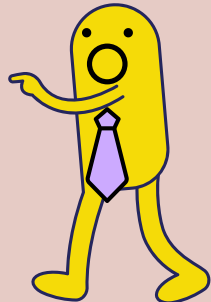
What is the ratio of working individuals and pensioners?



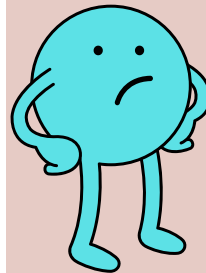
From 4.04:1 in the 80's to 3:1 in the 90's, in the 2000's we arrived at 1.36:1 where we still are today.



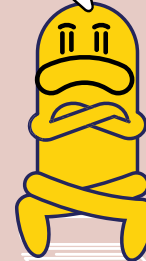
Almost all participants believe there are 2 or 3 working individuals per one pensioner.



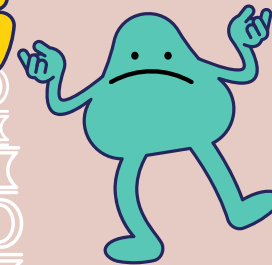
What percent of our pay is separated for retirement and how is that divided.



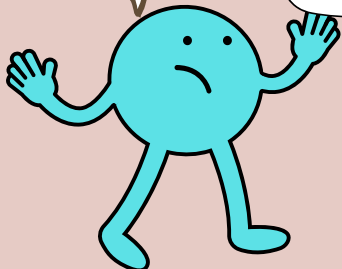
In total, 20% of our pay goes into our retirement scheme. 15% is for the first pillar, the intergenerational solidarity, while the leftover 5% is for our own personalised second pillar.



But almost no-one uses the opportunity of the third pillar...



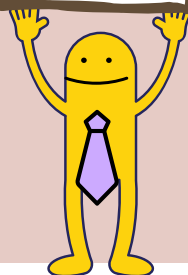
What are the advantages of the third pillar?



Debatable. 15% of government incentive is received for the amount of 5 000 kuna which means 750 kuna at the most.

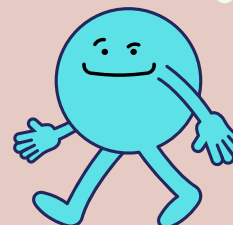


Most of the participants answers are split between "I don't know" and a skipped question while 20% of them write "Higher pensions, I guess."



Are you investing in the third pillar?

Almost all participants answered "no".



But around 187 000 citizens are saving in that way.



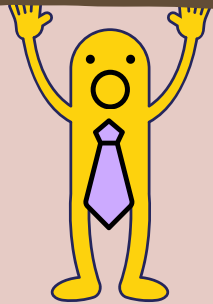
When it was discovered that fees for a "quick" exit can be up to 10%, the popularity of these funds drastically dropped for some reason..



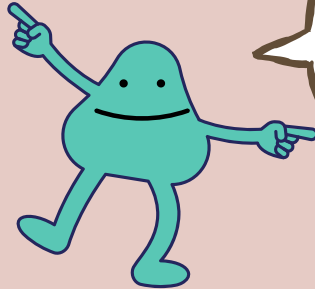
Are you saving extra for your "golden years " and if so, how?



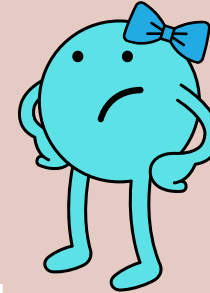
Two thirds of the answers were "no".



The majority would prefer investing in real estate, rather than "under the mattress".

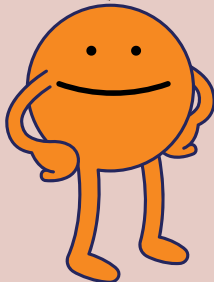


Only two people mentioned complex financial tools.

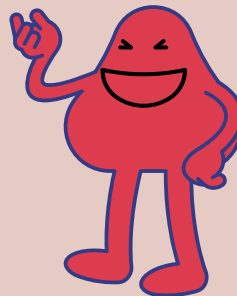


ANSWERS:

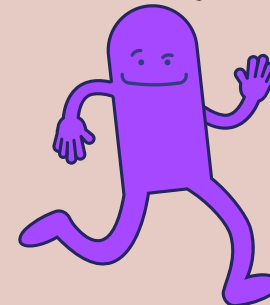
Classic saving.



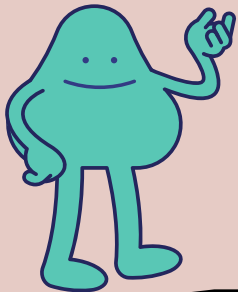
Bank saving.



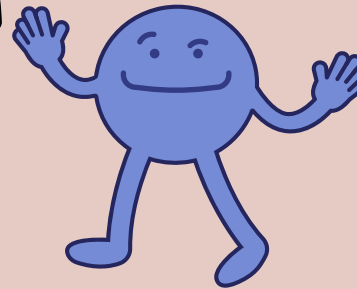
I play Loto!



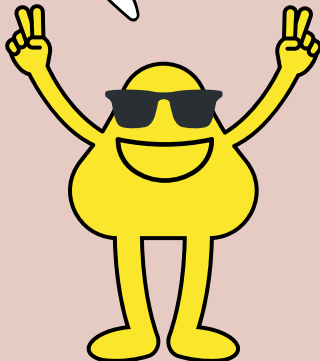
Do you have some thing else to add about retirement and pension which was not covered in the questions?



The only thing everyone agreed upon: "No". From the results, we can conclude that the vast majority of people do not think about retirement and pension.



That is perhaps good if we look at the real numbers. Ignorance is bliss!



THE END