

# Inheritance & Retirement Report 2024





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# About the report

The Inheritance & Retirement 2024 Report forms part of the Australian Seniors Research Series. In its latest instalment, this study explores how Australian seniors navigate the complexities of retirement and inheritance planning.

The research focuses on inheritance and retirement perceptions, including how over 50s create wills, distribute assets, and what financial legacies they want to leave. The report also investigates other relevant areas including housing and downsizing, healthcare and long-term care needs, and the emotional impact of retirement and leaving an inheritance.

The report is compiled based on research commissioned by Australian Seniors and conducted by MYMAVINS between 21st May and 12th June 2024. The research was conducted via a quantitative online survey, gathering 5,021 responses from Australians aged 50 and above.

The sample is broadly representative of this empty nester population in terms of age, gender, wealth, and state/territory.

## Important things to observe about the charts and figures

- Footnotes directly underneath the charts mainly refer to the sampling involved per question. This is to differentiate who was asked that particular question in the survey.
- Charts without a specific note represent questions that were asked to all respondents.
- The types of questions asked are also noted. For instance, 'Multiple responses allowed' appears when the question called for more than one response from the respondent.
- Some charts and figures may not be equal to 100% due to rounding differences. This is also true for summed up figures.
- Figures were determined from self-reported estimates provided by respondents.
- Outliers have been removed from certain figures. A specific note accompanies the data wherever this is applied.





# Key findings





# Key findings

## Inheritance for their partner

- Over 4 in 5 (84%) over 50s with partners are likely to leave an inheritance to their significant others.
- Of those likely to leave an inheritance to partners, more than 1 in 2 (54%) believe it's extremely important to ensure their partner's financial security.

## Inheritance for the next generations

- Nearly 7 in 10 (69%) Australian seniors with children or grandchildren have or are considering to leave an inheritance to their kids or grandkids before passing, while 4 in 5 (80%) are likely to leave an inheritance to kids or grandkids once they pass.
- Nearly 2 in 3 (65%) think their children or grandchildren expect an inheritance.
- Nearly 9 in 10 (89%) parents believe it's important to leave an inheritance to their children or grandchildren to ensure their financial security.
- Close to 7 in 10 (69%) parents admit to feeling a sense of responsibility to provide for their children's future.

## Inheritance concerns

- Close to 3 in 10 (29%) of those leaving an inheritance admit to feeling anxious about leaving an insubstantial amount to children/grandchildren.
- Around 4 in 5 (80%) who are planning to leave an inheritance to their children have or expect to make financial adjustments to accommodate their inheritance wishes.
- More than a third (36%) of those planning to leave an inheritance and who are not yet fully retired continue working to increase the size of their inheritance pool.
- Similarly, for those already fully retired, close to 2 in 5 (39%) are spending retirement savings conservatively to build a larger inheritance pool.

## Inheritance discussions

- Close to 7 in 10 (68%) claim to highly or somewhat involve their partner or family members in their estate planning discussions.
- Around 1 in 4 (25%) have paid for professional advice/planning in order to prepare for retirement, with the cost amounting to \$3,381, on average.



## Creating a will

- Nearly 2 in 3 (64%) have already set up their will which specifies how their estate will be distributed upon their passing.
- On average, those with a will first created it around 44 years old.
- Nearly 1 in 2 (49%) admitted to updating their will at least 5 years ago.

## Retirement finances

- Over 2 in 5 (43%) of those still working think they haven't saved enough money for retirement, while over 1 in 4 (27%) are still unsure.
- Of those fully retired, close to 1 in 2 (45%) believe they have enough money for the rest of retirement.
- Exactly 1 in 2 (50%) over 50s are looking to cut unnecessary expenses to make sure they have enough money for retirement.
- Close to 2 in 5 (39%) are looking to reduce and eliminate their debt.

## Retirement healthcare costs

- Close to 9 in 10 (89%) have concerns about healthcare costs in retirement.
- Over 1 in 4 (27%) have money saved specifically for healthcare expenses.
- More than 1 in 2 (54%) believe they have sufficient healthcare insurance for their retirement needs.

## Retirement life

- Around 3 in 4 (75%) working seniors have concerns about adjusting to life after retirement.
- Around 2 in 3 (67%) retired seniors said they faced at least one big challenge adjusting to life after retirement.
- Nearly 3 in 5 (59%) retired seniors claim to be less stressed financially compared to when they were working.



## The family home

- Exactly 3 in 5 (60%) are planning to leave their home to family, while 1 in 4 (25%) have decided not to.
- Among those with children, nearly 1 in 3 (32%) believe their children wouldn't mind if the family home is sold or refinanced. A similar number (29%) think their children might be somewhat disappointed, while 1 in 5 (20%) expect them to be very disappointed, frustrated, sad, or angry. Additionally, close to 1 in 5 (19%) are unsure about their children's reaction.
- More than half (51%) who have or are considering downsizing think that the decision to downsize would create a larger pool of inheritance for the family.

## Assisted living

- Over 2 in 5 (43%) over 50s feel positive (14%) or neutral (29%) about living in retirement homes or assisted living communities.
- About as many (40%) feel either cautious (20%) or negative (20%) about the idea. Meanwhile, just over 1 in 6 (17%) are still undecided.
- Close to 3 in 5 (57%) believe that retirement homes are unaffordable.
- Less than half (46%) have considered the cost of retirement homes or assisted living they may need in their inheritance plans.
- In case of difficulties with living fully independently, 2 in 3 (67%) of those with children would prefer an in-home carer or nurse, while over 7 in 10 (72%) of those without children prefer this.

## Moving in with children in retirement

- Just over 1 in 3 (34%) are open to the idea of moving in with their children, primarily due to comfort and familiarity (56%).
- However, more than 2 in 5 (44%) are hesitant, mainly due to concerns about disrupting family dynamics (74%).
- Nearly 1 in 4 (23%) are uncertain about moving in with their children, claiming they need reassurance it works for their children as well (63%).

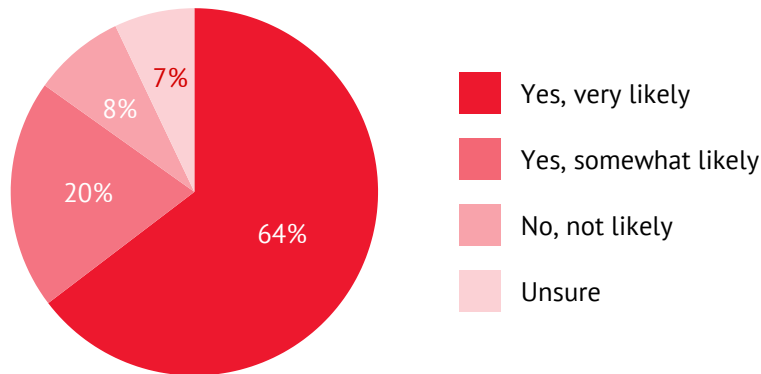


# Inheritance wishes



# Inheritance plans

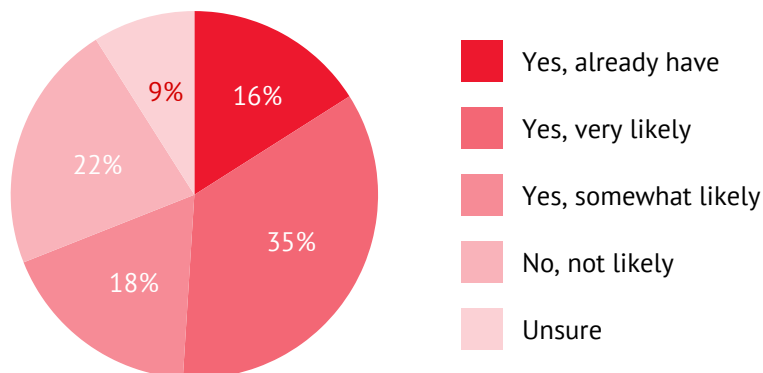
Are you planning to leave an inheritance for your partner when you pass away?



*\*Those with a partner (n= 3,072)*

Over 4 in 5 (84%) Australian seniors with partners are likely to leave an inheritance to their significant others.

Are you planning to leave any inheritance for your children or grandchildren before you pass away?

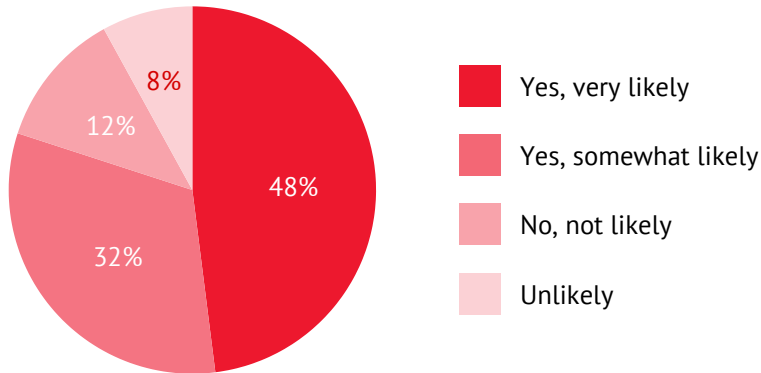


*\*Those with children or grandchildren (n= 4,030)*

Nearly 7 in 10 (69%) with children or grandchildren have already or are considering leaving an inheritance to their kids or grandkids before passing.



## Are you planning to leave an inheritance for your children or grandchildren when you pass away?



*\*Those with children or grandchildren (n= 4,030)*

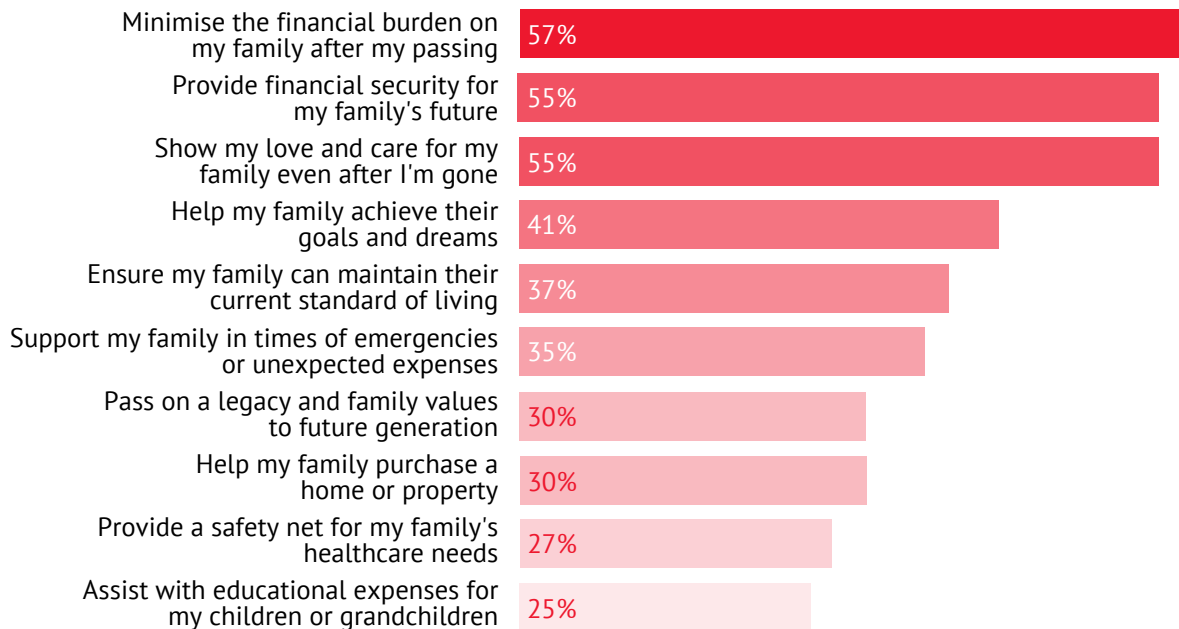
Leaving an inheritance after passing is more likely, with 4 in 5 (80%) reporting they are likely to leave an inheritance to kids or grandkids once they pass.

In addition, around 1 in 5 (22%) have a new partner from the one they first had children with. Over 3 in 5 (63%) of these seniors plan to leave at least 40% of their inheritance to their current partners, and close to 3 in 5 (58%) plan to leave at least 40% of their inheritance to children from their current relationship.



# Reasons for leaving an inheritance

## What are the main reasons you want to leave an inheritance?



*\*Those planning or have planned to leave an inheritance before or after passing (n= 3,855). Multiple answers allowed. Top 10 responses only.*

For over 50s planning to leave an inheritance, over half cite reducing financial burden after passing (57%), providing financial security (55%), and demonstrating love and care even after passing (55%) as key reasons. This is followed by helping achieve family goals and dreams (41%) and maintaining standard of living (37%).

Among those intending to leave an inheritance to their partners, more than 1 in 2 (54%) consider it extremely important to ensure their partner's financial security.

Nearly 9 in 10 (89%) parents believe it's crucial to leave an inheritance for their children or grandchildren to ensure their financial security. Additionally, close to 7 in 10 (69%) parents feel a strong sense of responsibility to provide for their children's future.



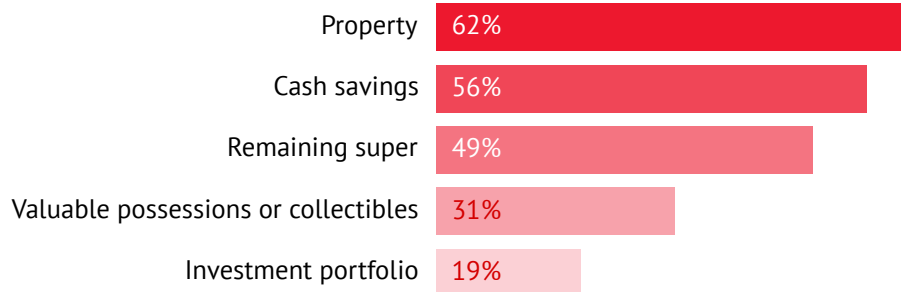
# *Funding inheritance*

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# Ways of leaving an inheritance

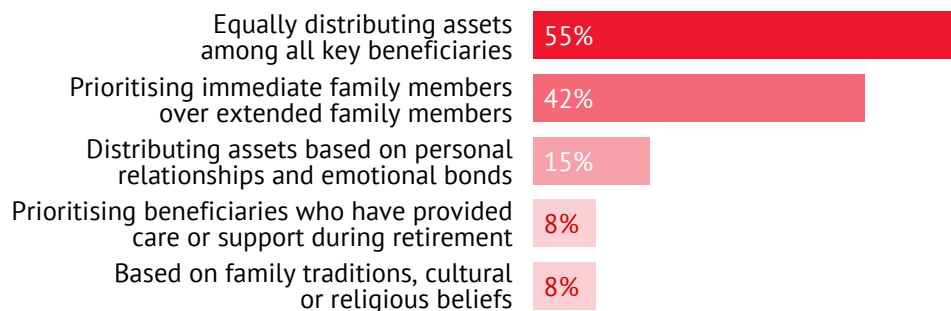
## How do you plan to leave an inheritance?



*\*Those planning or have planned to leave an inheritance before or after passing (n= 3,855). Multiple answers allowed. Top 5 responses only.*

Over 3 in 5 (62%) over 50s plan to leave property to beneficiaries. This is followed by cash savings (56%), remaining superannuation (49%), and leaving valuable possessions or collectibles (31%).

## How are you prioritising the distribution of assets in the inheritance you leave?



*\*Multiple answers allowed. Top 5 responses only.*

Close to 3 in 5 (55%) of those planning to leave an inheritance are inclined to divide their assets equally among all key beneficiaries.

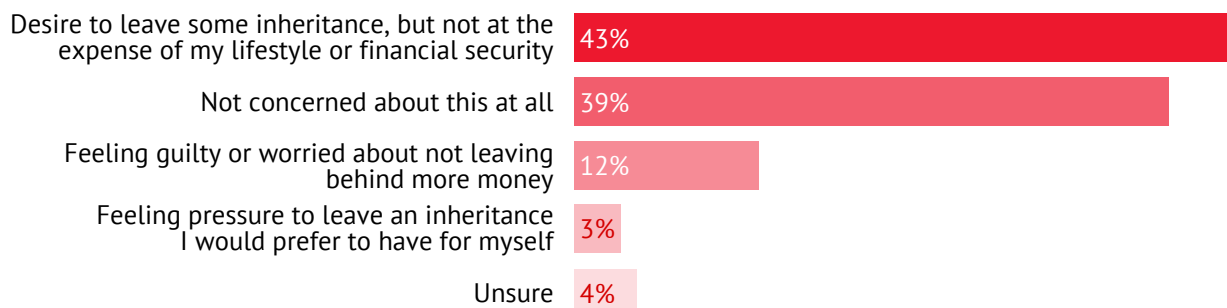
Additionally, over 2 in 5 (42%) are prioritising immediate family members over extended family in their distribution plans.

Far fewer (15%) intend to distribute assets based on personal relationships and emotional bonds.



# Affording an inheritance

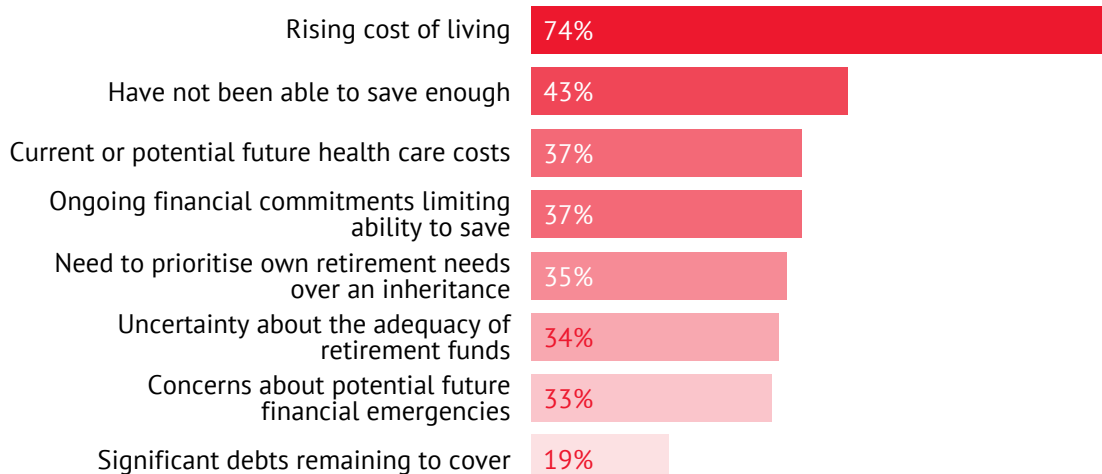
## What best describes how you feel about balancing leaving an inheritance while ensuring your own financial needs are met?



*\*Those planning or have planned to leave an inheritance before or after passing (n= 3,855)*

Over 3 in 5 (61%) have at least some concerns or are unsure when it comes to balancing building an inheritance and ensuring their own financial needs are met.

## Why do you feel you may not be able to provide your children and/or grandchildren with a substantial inheritance?



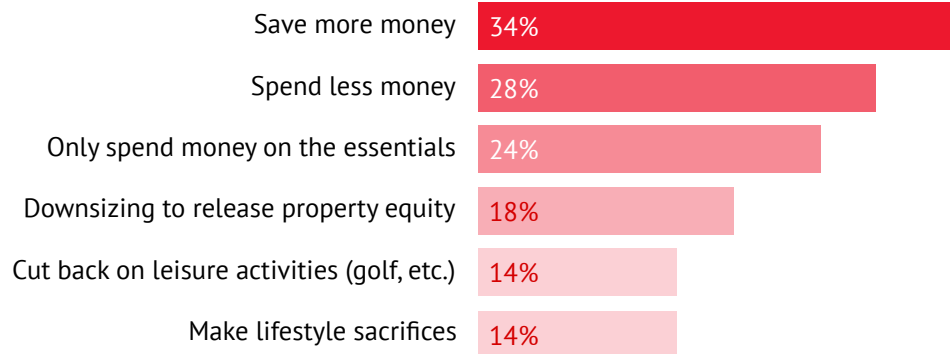
*\*Those who feel anxious that they will not leave a substantial inheritance (n= 986). Multiple answers allowed. Top 8 responses only.*

Close to 3 in 10 (29%) of those planning to leave an inheritance admit to feeling anxious about not providing a sufficient amount to their children or grandchildren. This is an increase from 2018 when just over 1 in 6 (17%) experienced this anxiety.

Common concerns contributing to this anxiety include the rising cost of living (74%), insufficient savings (43%), healthcare costs (37%), and ongoing financial commitments (37%).

# Accommodating an inheritance

Do you already or do you expect to do any of the following to accommodate your plan to leave an inheritance for your children?



*\*Those planning or have planned to leave an inheritance to children before or after passing (n= 3,347). Multiple answers allowed. Top 6 responses only.*

Around 4 in 5 (80%) of those planning to leave an inheritance to their children are either already making or expect to make adjustments to support their inheritance plans.

The most common adjustments include 1 in 3 (34%) looking to save more money, while close to 3 in 10 (28%) plan to reduce spending to meet their inheritance goals. Nearly 1 in 4 (24%) intend to spend only on essentials.

Close to 2 in 5 (36%) of those planning to leave an inheritance and who are not yet fully retired are continuing to work to build a larger inheritance pool. Similarly, nearly 2 in 5 (39%) of those who are already fully retired are managing their retirement savings conservatively to increase their inheritance pool.



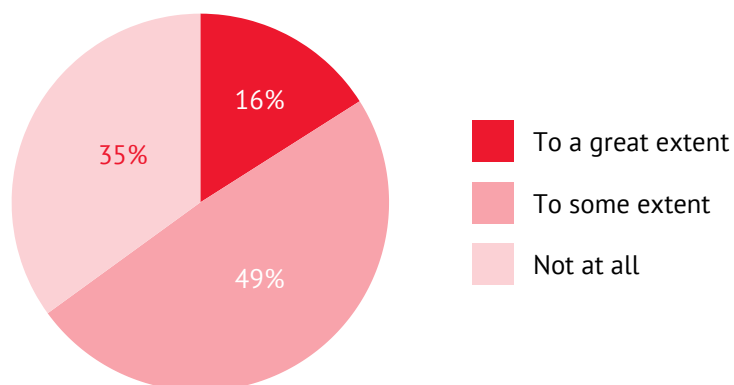


# Family matters



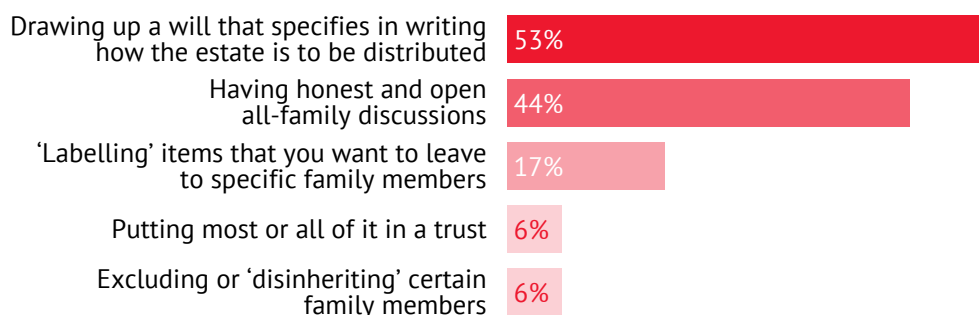
# Inheritance expectations

Thinking about your children and/or grandchildren, to what extent do you feel they expect an inheritance from you?



Nearly 2 in 3 (65%) think there are expectations to at least some extent from children or grandchildren to get an inheritance.

What have you done/are you considering doing to minimise potential arguments in your family over the inheritance you provide?



*\*Those planning or have planned to leave an inheritance before or after passing (n= 3,855). Multiple answers allowed. Top 5 responses only.*

Those intending to leave an inheritance primarily focus on specifying estate distribution (53%) and conducting open family discussions to manage the transition after their passing (44%).

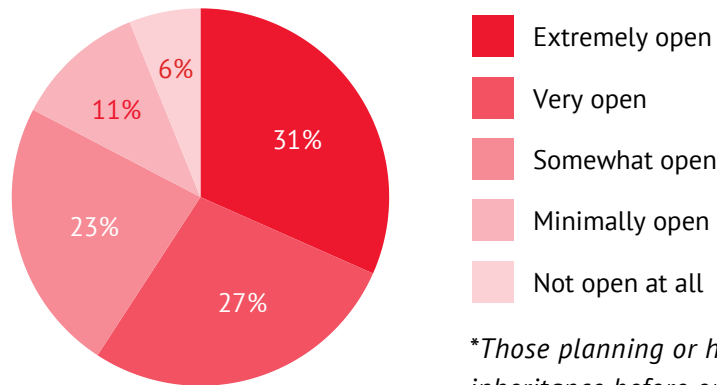
Close to 1 in 5 (18%) are concerned about potential disputes between family members over the inheritance.

Among those who anticipate arguments, 3 in 10 (30%) believe the disputes would likely centre around money, while about 1 in 5 think the arguments might involve property (20%) or the family home (17%).



# Discussing inheritance

## How openly do you discuss inheritance plans with your partner/family?

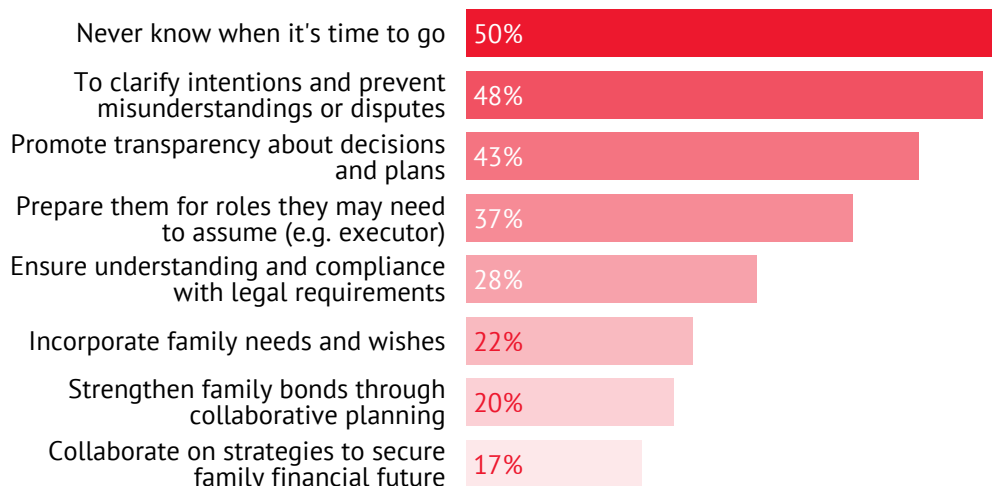


*\*Those planning or have planned to leave an inheritance before or after passing (n= 3,855)*

Close to 3 in 5 (59%) are extremely or very open to discussing inheritance plans with family members, while nearly 1 in 4 (23%) are somewhat open to the idea.

Less than 2 in 5 (37%) are extremely or very confident about the inheritance or will process, with a similar number (38%) feeling somewhat confident.

## What are the main reasons you have involved your partner and/or family in discussions around your estate planning?

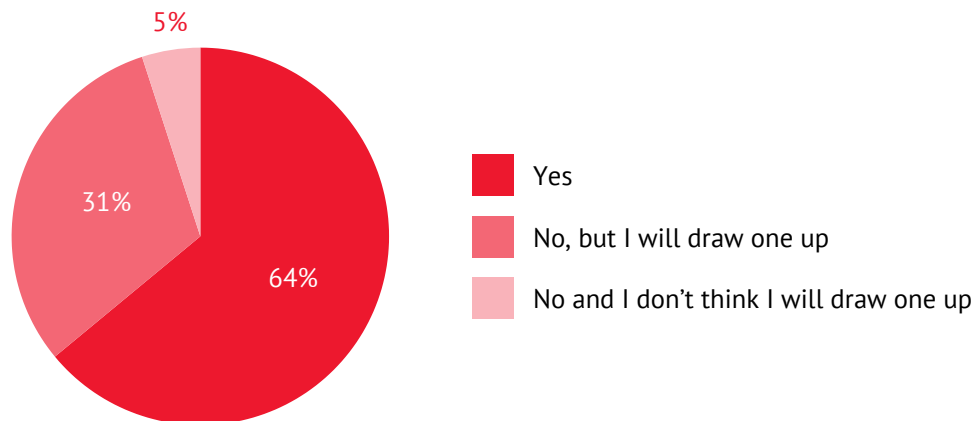


*\*Those who involve their partner or family in discussions about estate planning (n= 3,230). Multiple answers allowed. Top 8 responses only.*

Close to 7 in 10 (68%) report involving their partners or family members in discussions about estate planning, either highly or somewhat. The main reasons for involving them include uncertainty about when it's time to go (50%), preventing misunderstandings (48%), and promoting transparency (43%).

# Organising a will

Do you have a will in place which clearly sets out how your estate is to be distributed upon your passing?

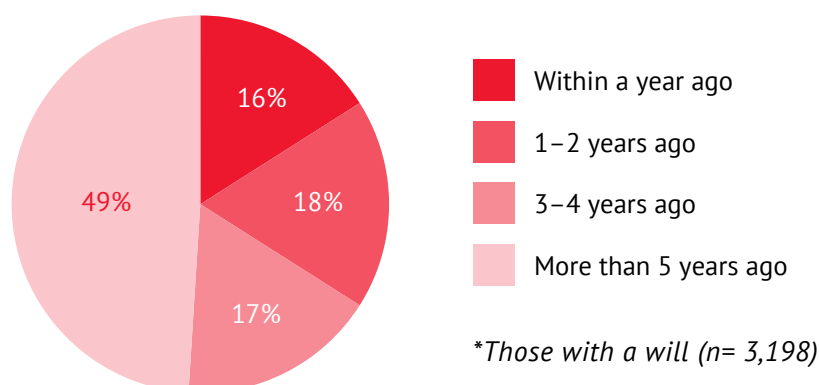


Nearly 2 in 3 (64%, down from 72% in 2018) have already set up a will specifying how their estate will be distributed upon passing. Over 3 in 10 (31%) plan to create a will soon, while very few (5%) are not open to the idea.

Among those who already have a will, it was first created on average around the age of 44. Close to 1 in 5 (18%) had their will in place before reaching 30, and over 4 in 5 (82%) had one established before turning 60.

Of those with wills, nearly 2 in 3 (64%) sought professional help to draft their will, and more than 1 in 2 (54%) have already discussed their wills with family members.

How long ago did you last update your will?



Among those who already have a will in place, nearly 1 in 2 (49%) admitted that they last updated their will over 5 years ago.

For those without a will, the main reasons are procrastination (45%), not having enough assets (25%), and concerns about the cost of creating one (21%).

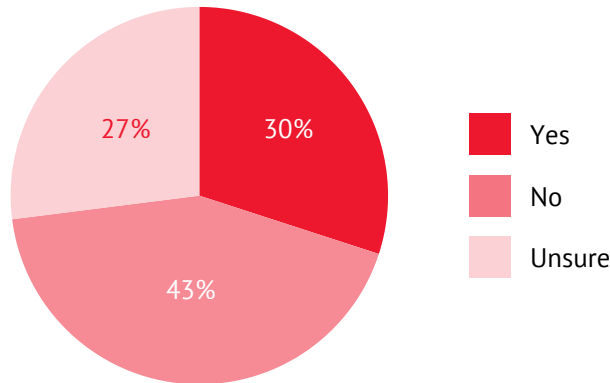


# Retirement finances



# Enough money for retirement

## Do you believe you have enough money for retirement?

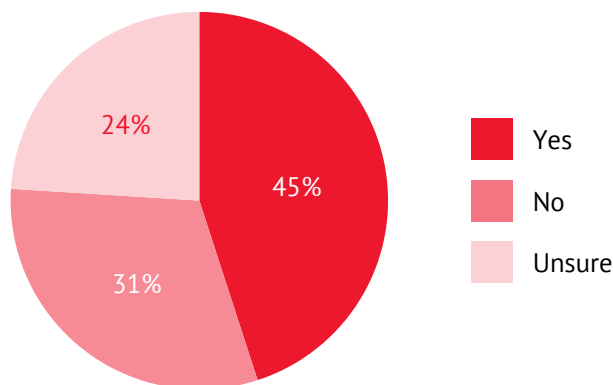


*\*Those still working (n= 2,408)*

Over 2 in 5 (43%) of those still working feel they haven't saved enough for retirement yet. Only 3 in 10 (30%) feel they have sufficient savings, while over 1 in 4 (27%) remain unsure.

Among those who are fully retired, close to 1 in 2 (45%) thought they had enough money for retirement when they first retired, while 1 in 6 (14%) were unsure.

## Do you believe you have enough money now for the rest of your retirement?



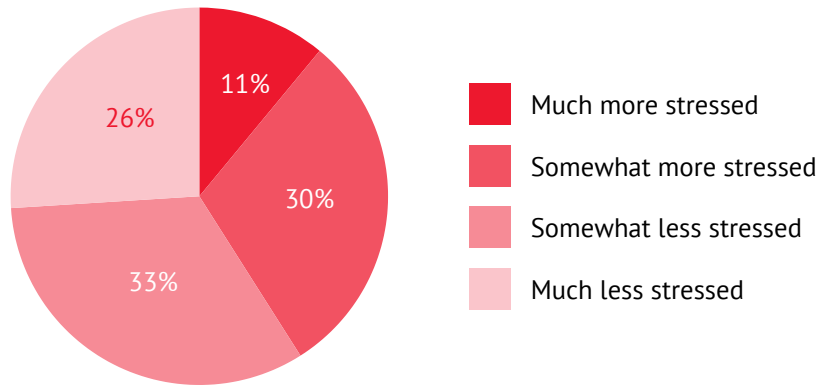
*\*Those fully retired (n= 1,805)*

Close to 1 in 2 (45%) retirees currently believe they have enough money for the rest of their retirement, however nearly 1 in 4 (24%) are unsure.

Around 2 in 5 (44%) retirees draw/will draw from their superannuation, while a similar proportion (42%) rely/will rely at least in part on aged pension income.



## Do you feel more or less financially stressed being retired?



*\*Those fully retired (n= 1,805)*

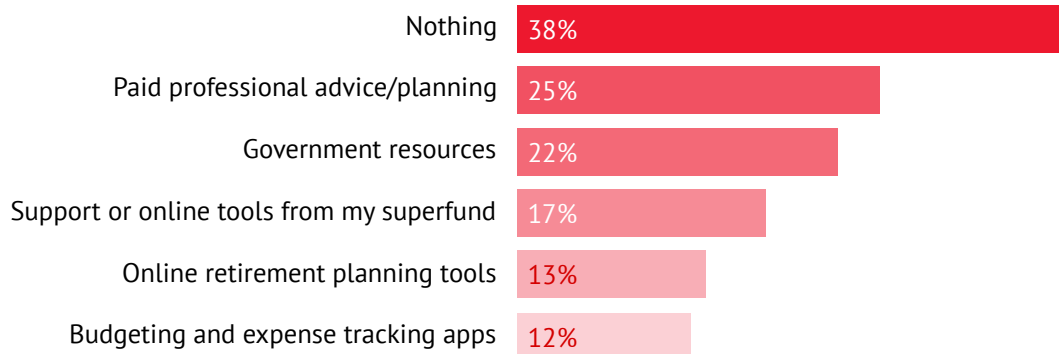
Notably, despite many retirees lacking confidence about having sufficient funds for their retirement, nearly 3 in 5 (59%) report feeling less financially stressed now compared to when they were working.





# Planning for retirement

In terms of financial planning for retirement, what resources do you use?



*\*Multiple answers allowed. Top 6 responses only.*

Exactly 1 in 4 (25%) have sought professional advice or planning to prepare for retirement, with the average cost of such advice amounting to \$3,381.

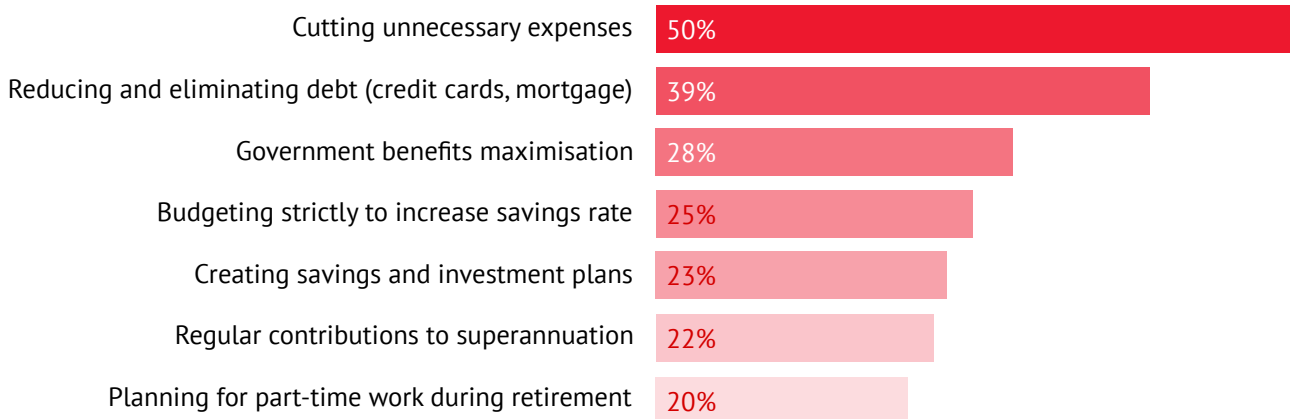
Other common resources include government resources (22%) and online support tools from superannuation funds (17%).

Close to 2 in 5 (38%) do not use any resources when planning for retirement.

Over 2 in 5 (42%) consider health conditions when deciding on their retirement age, followed by financial preparedness (36%) and superannuation or pension eligibility (35%).



## What are you doing to make sure you have enough money throughout retirement?



*\*Multiple answers allowed. Top 7 responses only.*

Around 1 in 2 (50%) are aiming to cut unnecessary expenses to ensure they have sufficient funds throughout retirement, while 2 in 5 (39%) are focused on reducing and eliminating their debt.

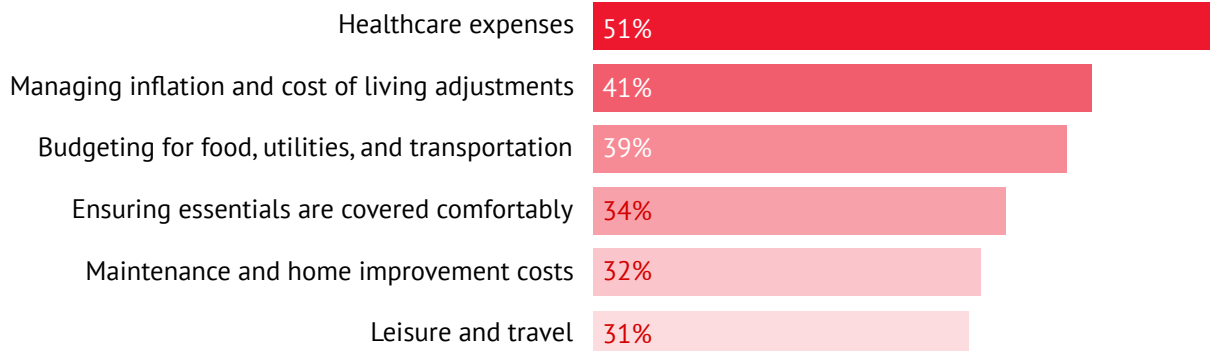
Other common strategies include maximising government benefits (28%), budgeting to increase savings (25%), and creating savings and investment plans (23%).





# Expenses to consider

What are/will be the expenses you are most worried about affording in retirement?



*\*Multiple answers allowed. Top 6 responses only.*

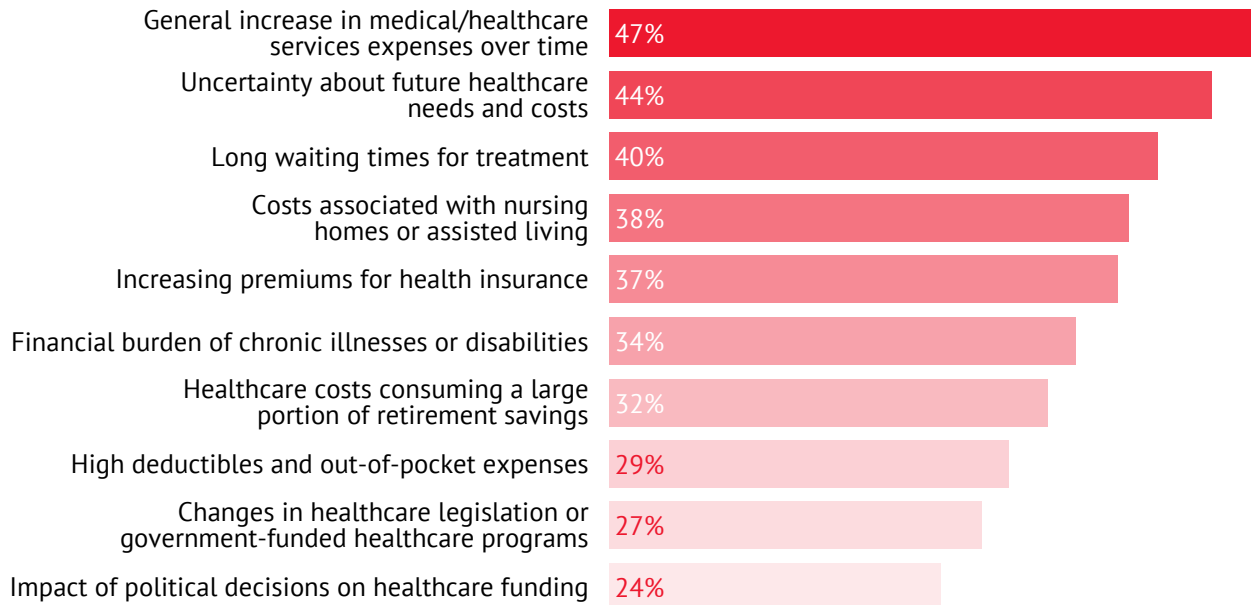
Expenses relating to health (51%), as well as managing inflation and cost of living adjustments (41%) are the main concerns of seniors during retirement.

Other considerations include budgeting for daily expenses (39%), ensuring essentials are covered (34%), managing home improvements (32%), and leisure and travel (31%).

Over 4 in 5 (83%) hold a seniors card, mostly used for concessions on utilities (61%), public transport (58%) and car registration discounts (53%). However the majority (68%) feel they save very little or a minimal amount by having a seniors card.



## What are the main concerns you have about healthcare costs in retirement?



*\*Multiple answers allowed. Top 10 responses only.*

Close to 9 in 10 (89%) have concerns about healthcare costs in retirement.

Top worries include the general increase in medical and healthcare services over time (47%), uncertainty about future healthcare costs (44%), and long waiting times for treatments (40%).

Over 1 in 4 (27%) have saved money specifically for healthcare expenses, while more than 1 in 2 (54%) believe they have adequate healthcare insurance to meet their retirement needs.



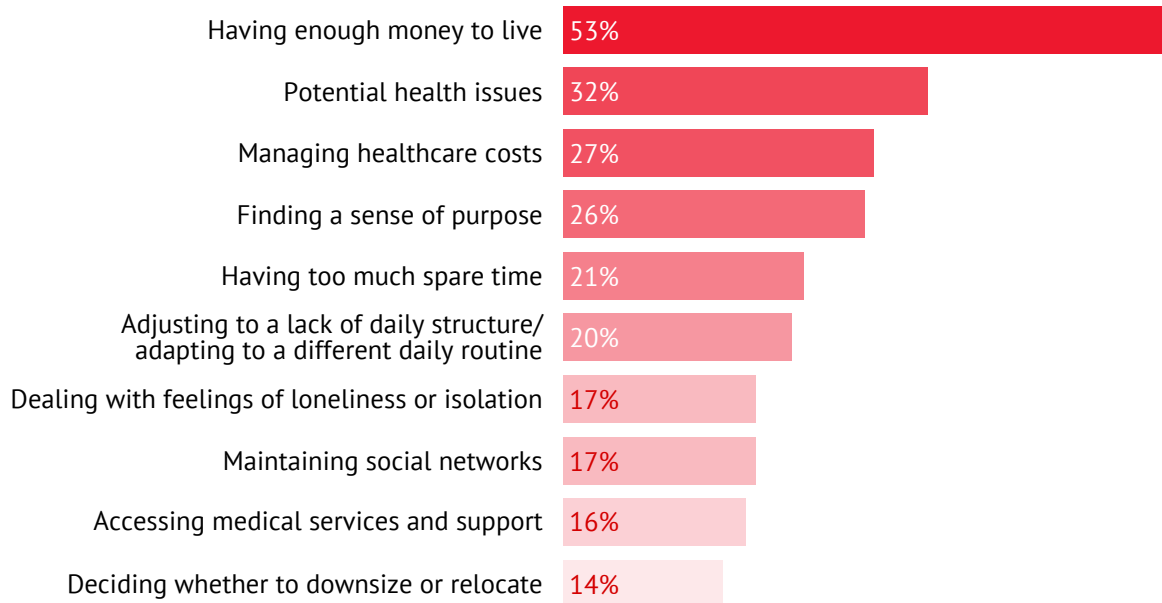
# Retirement lifestyle





# Adjusting to retirement

What are your main concerns about adjusting to life after retirement?



*\*Those who are working (n= 2,408). Multiple answers allowed. Top 10 responses only.*

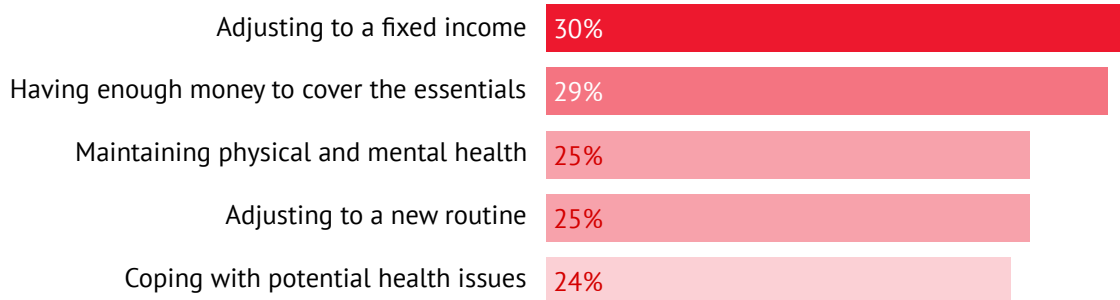
Around 3 in 4 (75%) working seniors have concerns about adjusting to life after retirement.

Main concerns include having enough money to live comfortably during retirement (53%), potential health issues (32%), healthcare costs (27%), and finding a sense of purpose (26%).

Additionally, around 1 in 5 working seniors worry about having too much spare time (21%) and adjusting to a lack of daily structure (20%).



## What are the biggest challenges you have experienced adjusting to life after retirement?



*\*Those who are fully retired (n= 1,805). Multiple answers allowed. Top 5 responses only.*

Around 2 in 3 (67%) reported facing at least one significant challenge in adjusting to life after retirement.

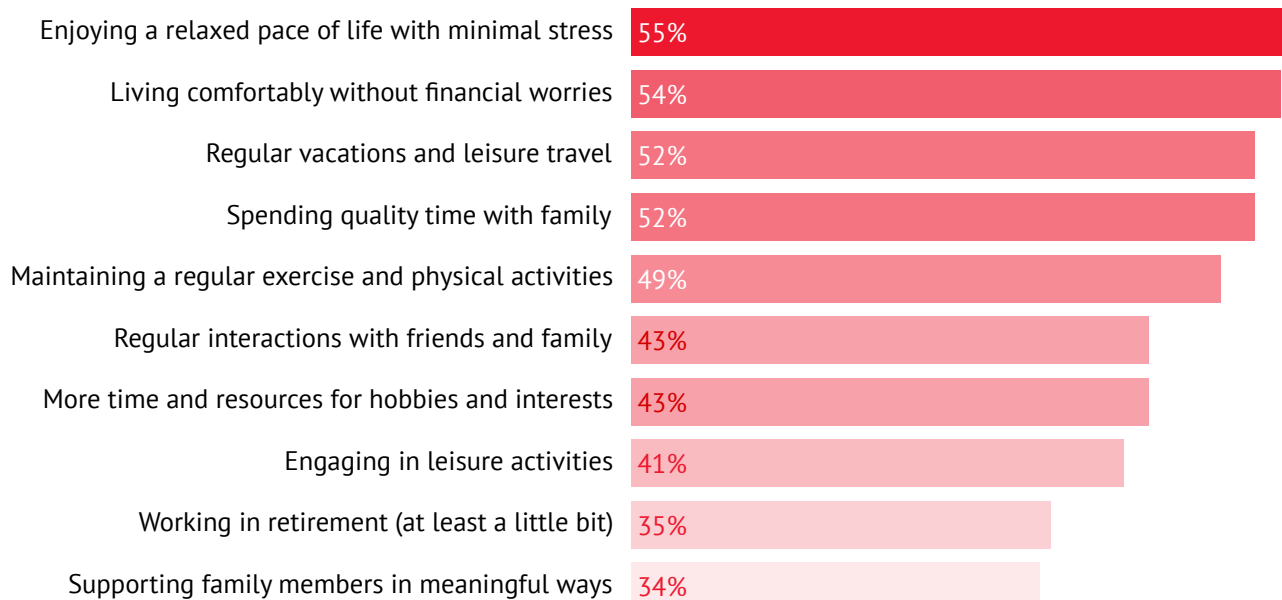
The most common challenges include adjusting to a fixed income (30%), ensuring enough money for essentials (29%), maintaining physical and mental health (25%), and adapting to a new routine (25%).





# The ideal retirement

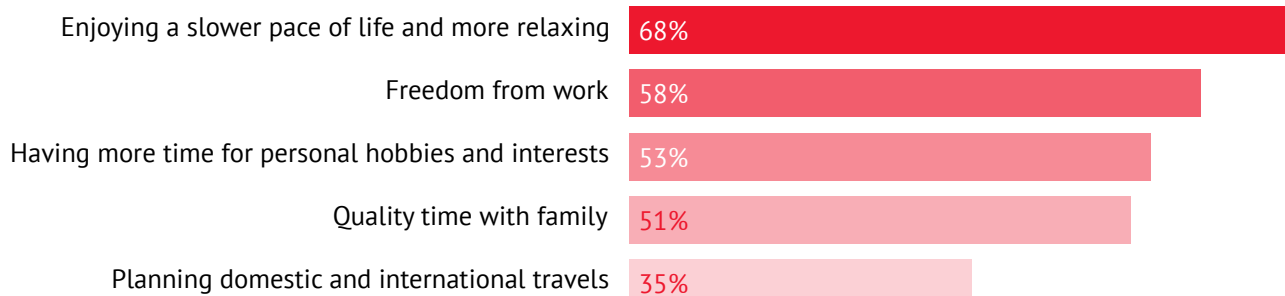
## How do you envision your ideal retirement lifestyle?



*\*Those who are working (n= 2,408). Multiple answers allowed. Top 10 responses only.*

More than 1 in 2 working seniors value enjoying a relaxed pace of life with minimal stress (55%), living comfortably without financial worries (54%), regular vacations and travel (52%), and spending quality time with family (52%). Other important aspects include maintaining regular exercise and physical activity (49%), frequent interactions with family (43%), and pursuing hobbies and interests (43%).

## What have you enjoyed most about retiring?



*\*Those who are fully retired (n= 1,805). Multiple answers allowed. Top 5 responses only.*

Based on their experiences, retirees have most enjoyed aspects of retirement such as a slower pace of life (68%), freedom from work (58%), having more time for hobbies (53%), and spending quality time with family (51%).

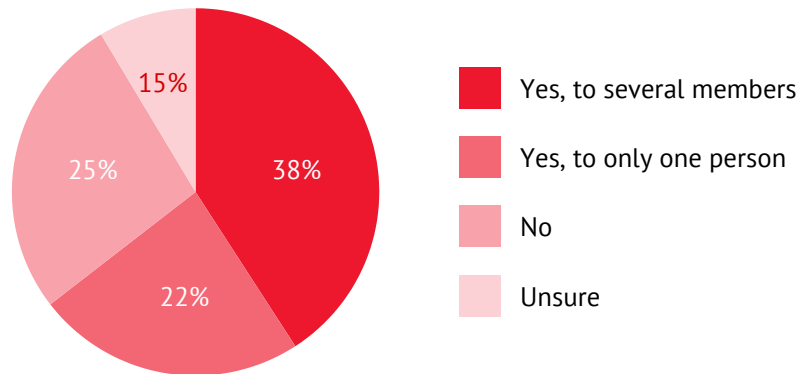


# Property choices



# Plans for the family home

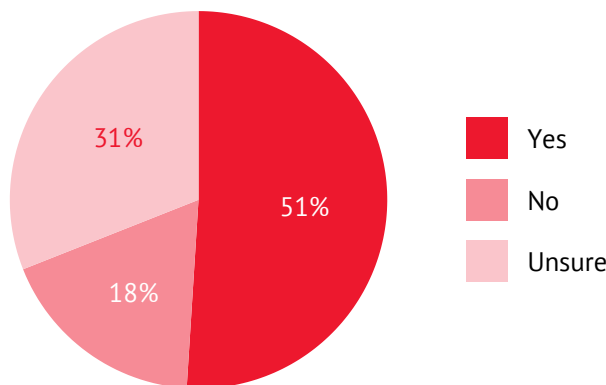
## Are you planning to leave your home to your family?



Exactly 3 in 5 (60%) are planning to leave their home to family, while 1 in 4 (25%) have decided not to.

Among those with children, nearly 1 in 3 (32%) believe their children wouldn't mind if the family home is sold or refinanced. Almost as many (29%) think their children might be slightly disappointed. Exactly 1 in 5 (20%) believe their children would be very disappointed, frustrated, sad, or angry.

## Would some of the potential money you save on downsizing likely go towards inheritance for your family?



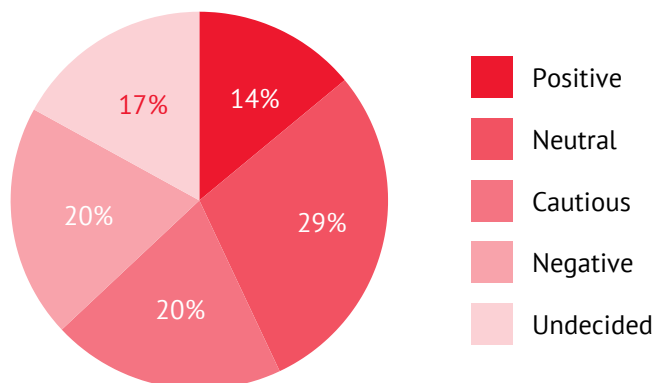
More than 1 in 2 (51%) seniors who have downsized or are considering it believe that doing so will allow them to create a larger pool of inheritance for their family.

Close to 2 in 5 (35%) feel either positive (14%) or neutral (22%) about borrowing against home equity for financial needs in retirement. In contrast, about 3 in 10 (38%) feel either cautious (17%) or negative (21%) about the idea, with nearly 3 in 10 (27%) still undecided.



# Retirement living options

What are your feelings towards retirement homes and assisted living communities?



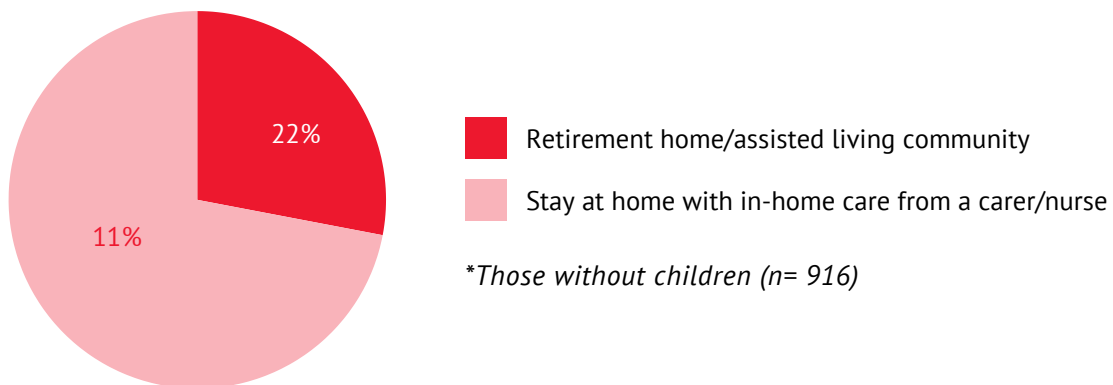
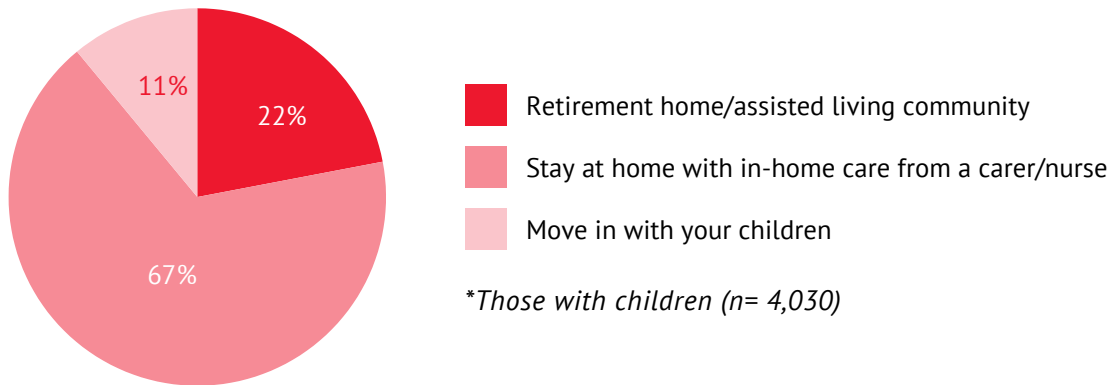
Over 2 in 5 (43%) feel either positive (14%) or neutral (29%) about living in retirement homes or assisted living communities. About the same number (40%) are either cautious (20%) or negative (20%) about the idea, with just over 1 in 6 (17%) still undecided.

Close to 3 in 5 (57%) believe that retirement homes are unaffordable. Meanwhile, less than 1 in 2 (46%) seniors have considered the cost of retirement homes or assisted living in their inheritance plans.





## If required due to the difficulty of fully independent living, which of the following would you prefer?



In the event of difficulty with fully independent living, 2 in 3 (67%) of those with children would prefer in-home care or a nurse, compared to over 7 in 10 (72%) of those without children.

Just over 1 in 3 (34%) are open to the idea of moving in with their children, with the top reason being comfort and familiarity (56%).

However, over 2 in 5 (44%) are reluctant, primarily due to concerns about disrupting family dynamics (74%).

Nearly 1 in 4 (23%) are uncertain about moving in with their children, claiming they need reassurance it works for their children as well (63%).



# More of the Australian Seniors Series coming soon...

## About Australian Seniors

Australian Seniors launched in 1998 to meet the needs of the often-ignored over 50s market. Since then, we've helped countless Australians protect the most important things in life—whether it's their family's future, valuable assets, or even their long-planned retirement.

We strive to be different through the diverse offering of our life, funeral, health, car, home & contents, landlords, pet, and travel insurance products by carefully selecting underwriters that share our vision of providing insurance that's simple, easy to understand, and cost-effective. That's why our policies have helped everyone from hard-working over 50s to self-funded retirees take control of the things that matter most.