



# LIVING THE DREAM

A research report

July 2014

# Introduction

Suncorp Life's Living the Dream Report explored the hopes, goals and dreams of everyday working Australians to uncover what we really value and prioritise in life.

Living the Dream surveyed Australia's 11.5 million<sup>1</sup> strong working population and examined findings along gender lines and generational break down.

Seven million working Australians are putting their immediate lifestyle and family dreams ahead of career and long-term financial goals when it comes to creating the ideal life.

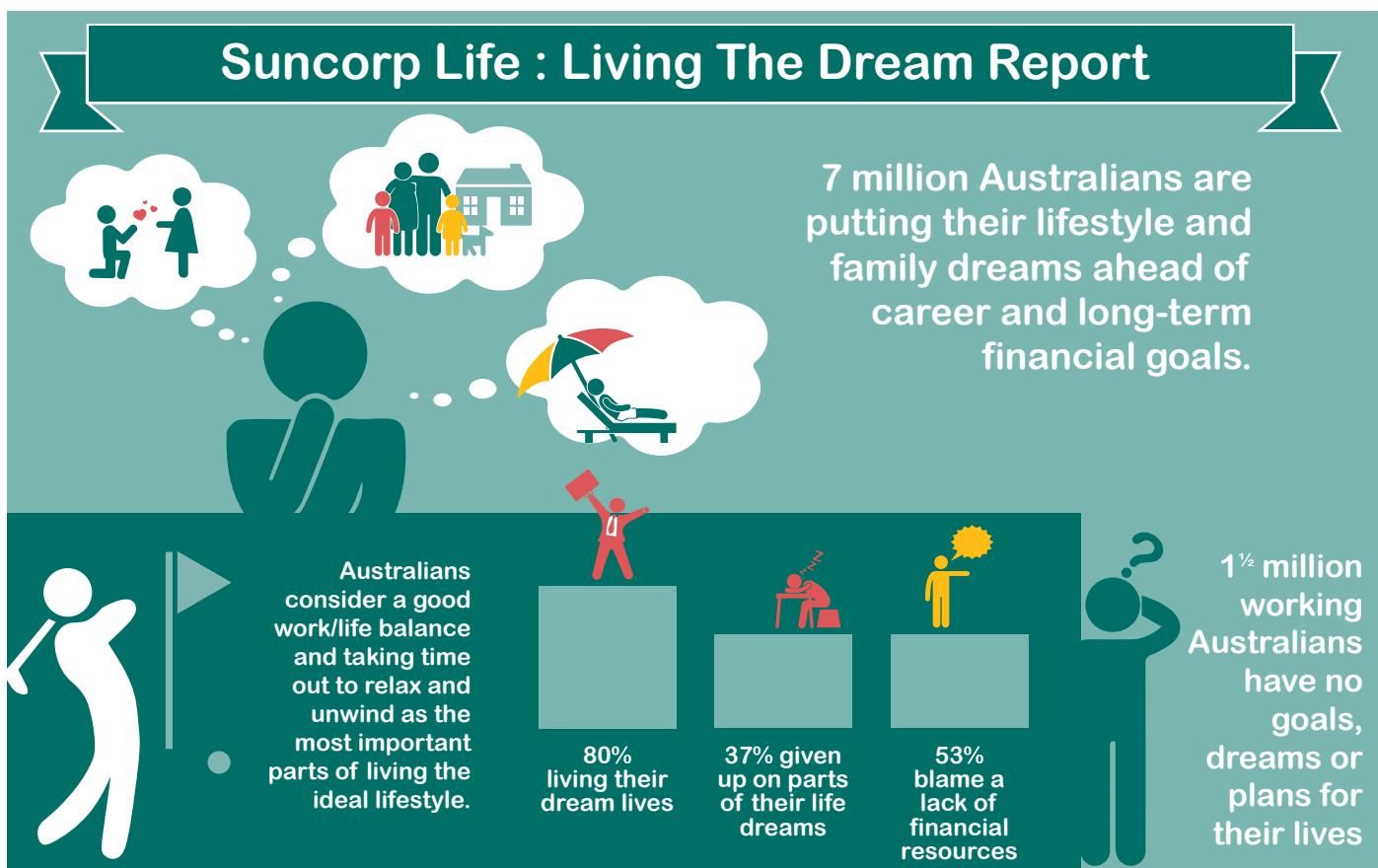
Two thirds of working Australians are living or somewhat living their dream lives, in terms of family, finances, career and lifestyle.

Australians consider a good work/life balance and being able to take time out to relax and unwind as the most important parts of living the ideal Australian lifestyle. Over 75 per cent of Australians are actively pursuing lifestyle goals, while a further 60 per cent believe family goals are important.

More than half Australia's working nation, 53 per cent, are not actively pursuing their life dreams because of a lack of financial resources and a quarter blame a lack of opportunity for not pursuing their dreams. One and a half million Australians, one in ten, have no goals, dreams or plans for their lives.

The findings reveal that while the Australian dream of owning a home and having a family and children remain alive and well, some working Australians are struggling to make that dream a reality.

The research surveyed more than 1,000 Australians about their views on what their life's hopes and dreams are. Research house Pure Profile were commissioned by Suncorp Life to conduct the survey.



<sup>1</sup><http://www.abs.gov.au/ausstats/abs@.nsf/mf/6202.0>

# What is the Australian dream?

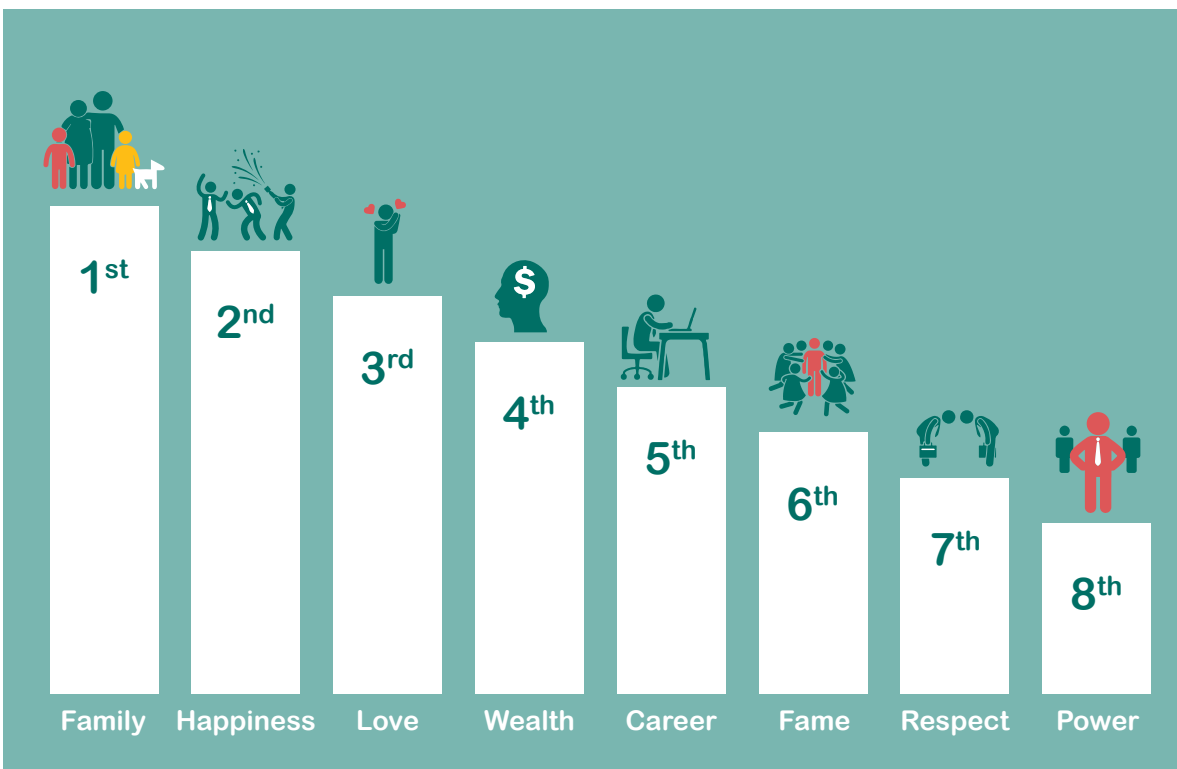
## What makes the Australian Dream?

Ranking	Theme	Percentage
1 <sup>st</sup>	Family	35%
2 <sup>nd</sup>	Happiness	30%
3 <sup>rd</sup>	Love	26%
4 <sup>th</sup>	Wealth	4%
5 <sup>th</sup>	Career	2%
6 <sup>th</sup>	Fame	1.5%
7 <sup>th</sup>	Respect	1%
8 <sup>th</sup>	Power	0.5%

Australians are a laid back, family oriented nation that strive for the simple pleasures in life; family, happiness and love.

Having a family is the number one factor in achieving the Australian dream.

We are a nation focused on happiness and finding love above all else. Grand notions of achievement such as fame, respect and power ranked last, after wealth and career.



# How many Australians are living the dream?

## Do you have goals, dreams and plans for your life?

	Percentage
Yes	87%
No	13%

More than two thirds of Australians have set goals, dreams and plans for their lives.

Disturbingly 1.5 million Australians, or 13 per cent of our working nation, are impacted by the daily grind and living hand to mouth with no life dreams or aspirations.

## Are you currently living your life goals, hopes and dreams?

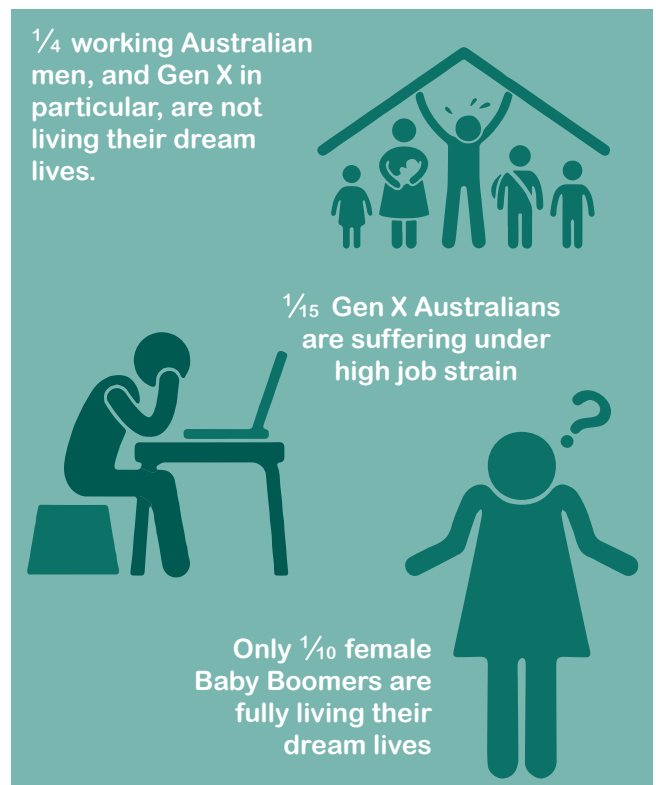
	Average	Female	Male	Gen Y	Gen X	Baby Boomers
Yes	14%	12%	16%	15%	14%	11%
Yes, somewhat	64%	68%	60%	65%	62%	67%
No	22%	20%	24%	20%	24%	22%

78 per cent of working Australians are either fully or somewhat living their life dreams.

Looking after young families, working in stressful jobs, burdened by debt and taking care of their older parents, one in four working Australian men, and Generation X in particular, are not living their dream lives.

Recent research into Generation X workers analysed the effects of job strain on Australians' work performance and outlook and the factors that lead to long term sickness absence (LTSA).<sup>2</sup> It found that at least one in fifteen cases showed Gen X Australians are suffering under high job strain.

Female Baby Boomers are least likely to be living all of their life's hopes, dreams and goals, research found only 11 per cent are fully living their life's dreams.



<sup>2</sup><http://www.blackdoginstitute.org.au/public/research/latestfindings.cfm>

# What is stopping Aussies from attaining their dreams?

## Have you given up on parts of your dream?

	Average	Female	Male	Gen Y	Gen X	Baby Boomers
Yes	37%	38%	34%	37%	36%	37%
No	63%	62%	66%	63%	64%	63%

Australians typically aim to 'have it all' in terms of the perfect job, lifestyle and family.

While encouragingly the majority of Australians haven't given up on their dreams, there is still a large chunk, 37 per cent of our working nation, or 4.2 million Australians, that have.

Despite the fact one in four Australian men are not living their dream lives, the majority, 64 per cent, are not ready to give up on their dreams any time soon.

In fact it's Australian women who are turning their backs on their dreams, more than one in three working Australian women, 2.2 million,<sup>3</sup> have given up on parts of their life dreams.

## Why are you not actively pursuing your goals, dreams and plans?

	Average	Female	Male	Gen Y	Gen X	Baby Boomers
Lack of motivation	7%	7%	7%	10%	5%	7%
Lack of opportunity	24.5%	24%	25%	32%	24%	16%
Lack of financial resources	52.5%	52%	53%	42%	50%	67%
Lack of family support	4%	4%	4%	3%	5%	4%
All of the above	12%	13%	11%	13%	16%	6%

More than half of working Australia, 52.5 per cent, are not actively pursuing their dreams due to a lack of financial resources and 24.5 per cent blame a lack of opportunity.

Almost two thirds of Baby Boomers, 67 per cent, are not pursuing their dreams due to a lack of money.

The youngest Generation, Gen Y, blame a lack of motivation and lack of opportunity for not following their dreams.

Results show Australian families are a supportive bunch, with only 4 per cent of people not following their dreams because of a lack of family support.

<sup>3</sup><http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/3101.0Sep%202013?OpenDocument>

# How do Australians choose which career path to follow?

The research reveals Australians have their priorities right and home really is where the heart is.

Australians' number one dream in life is to achieve the perfect lifestyle with their families, Aussies put more emphasis on achieving this than their financial and career goals.

However, career and financial goals are more of a priority for Generation Y.

## What was the most important aspect when considering your career choice?

	Average	Female	Male	Gen Y	Gen X	Baby Boomers
What I was good at	21%	21%	21%	19%	20%	26%
What I was most interested in	42%	42%	42%	46%	40%	41%
What my family wanted to do	4%	4%	4%	2%	5%	4%
What would bring me the most financial security	17%	16%	17%	19%	18%	12%
All of the above	16%	16%	16%	14%	18%	16%

Money and finances play a weightier role in Australians career decisions today than when the older Baby Boomers generation were deciding what to do for a living.

When considering what career to choose, Australians base their decision on what they are most interested in, 42 per cent, and what they are good at, 21 per cent.

Only 17 per cent of working Australians considered which career path would bring them the most financial security.

Gen Y base their decision on what they're most interested in and are least likely to consider what their family wants them to do, instead factoring in what would bring them the most financial security.

Baby Boomers chose their careers based on what they were good at and not what would bring them the most financial security.

# How do Australians reach their life dreams?

## Family:

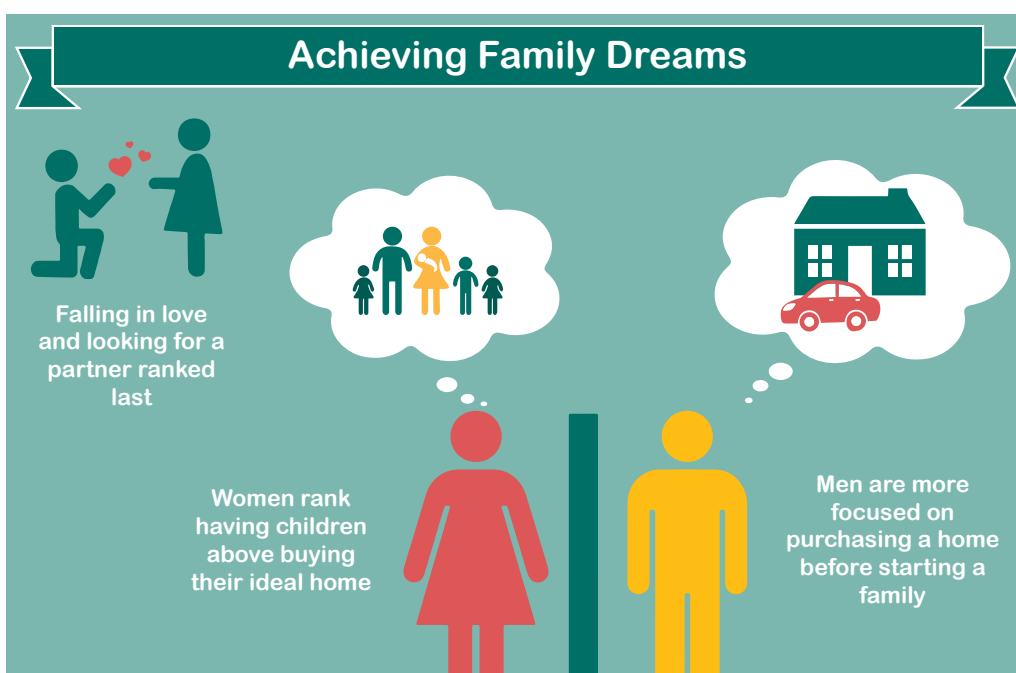
Thinking about your family dreams, what did you are you actively doing to pursue your dream?

	Average	Female	Male	Gen Y	Gen X	Baby Boomers
Saving money to buy my ideal home	3	3	2	2	3	2
Looking for a partner	6	6	6	6	6	5
Falling in love	5	5	5	5	5	6
Getting married	4	4	6	4	4	4
Making life goals with my partner	1	1	1	1	1	1
Having children	2	2	3	3	2	3

When it comes to achieving family dreams, Australians focus on making life goals with their partners, having children and saving to buy their dream home.

Falling in love and looking for a partner ranked last.

Unsurprisingly, women rank having children above buying their ideal home and men are more focused on purchasing a home before starting a family.



# Lifestyle:

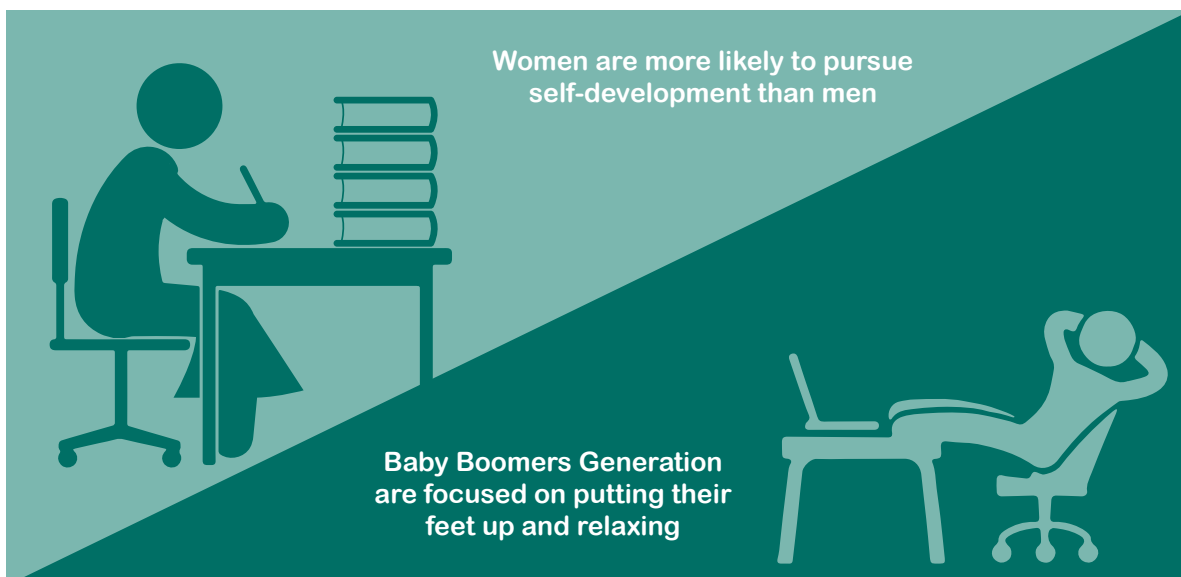
Thinking about your lifestyle dreams, what did you or are you actively doing to pursue your dream?

	Average	Female	Male	Gen Y	Gen X	Baby Boomers
Moving away (to a different state/ country)	6	6	6	6	6	6
Joining a gym/ sports group to improve my health and fitness	5	5	5	5	5	5
Planning and going on regular holidays	3	3	4	3	3	3
Making sure I have a good work/life balance	2	1	1	1	1	2
Taking time out to relax and unwind	1	2	2	2	2	1
Pursuing personal self-development	4	4	3	4	4	4

Research revealed show Australians consider having a good work/life balance and being able to take time out to relax and unwind as the key factors in attaining an ideal lifestyle.

Women are more likely to pursue self-development than men and the older Baby Boomers Generation, who've done their hard yards in the workforce, are focused on putting their feet up and relaxing.

Australians are unlikely to move interstate or overseas to improve their lifestyles and joining a gym was seen as a low priority.





## Career:

Thinking about your career dreams, what did you or are you actively doing to pursue your dream?

	Average	Female	Male	Gen Y	Gen X	Baby Boomers
Studied at university/TAFE	2	1	2	2	2	3
Pursuing post graduate study (including a Master's, doctorate or professional designation studies)	5	5	6	5	5	6
Created career goals and actively worked towards achieving them	1	2	1	1	1	1
Worked long hours	3	3	4	3	3	4
Made life compromises	4	4	3	4	4	2
Relocated for work	6	6	5	6	6	5

Australia's working nation is a focused and goal oriented workforce.

Australians build their career dreams by actively working towards career goals, studying at university or TAFE and working long hours.

Australian women are more focused on studying than men, whereas men are more likely to make life compromises to get ahead in their careers and relocate for work.

Baby Boomers made life compromises and studied to achieve their career dreams.

# Financial:

Thinking about your financial dreams, what did you or are you actively doing to pursue your dream?

	Average	Female	Male	Gen Y	Gen X	Baby Boomers
Began saving money from a young age	2	2	2	2	2	2
Creating good financial goals	1	1	1	1	1	1
Investing my money in property	3	3	3	3	3	4
Investing my money in the share market	5	5	4	4	4	6
Using a financial planner's advice	6	6	6	6	6	5
Actively managing my superannuation	4	4	5	5	5	3

Creating good financial goals, saving money from a young age and investing in property are Australia's top priorities when it comes to achieving financial dreams.

Using a financial planner's advice rated last.

Men are more likely than women to take risks and invest in the share market and the older Baby Boomers generation are focused on actively managing their superannuation.

Men are more likely than women to take risks and invest in the share market

Using a financial planner's advice rated last.

Older Baby Boomers generation are focused on actively managing their superannuation

# Australia's Retirement Dreams

## When do Australians plan to retire?

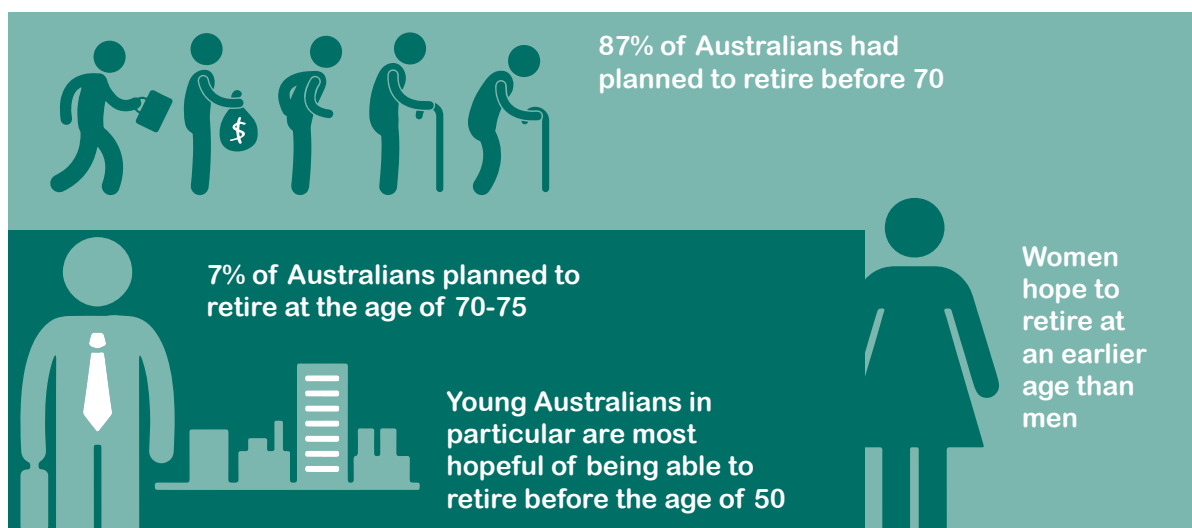
	Average	Female	Male	Gen Y	Gen X	Baby Boomers
Before 50	7%	6%	8%	14%	6%	0%
50-55	8%	9%	6%	8%	11%	2%
55-60	17%	20%	14%	23%	15%	14%
60-65	31%	30%	33%	29%	29%	38%
65-70	25%	25%	24%	16%	26%	24%
70-75	7%	6%	8%	6%	9%	7%
75 plus	5%	4%	6%	4%	5%	6%

Suncorp Life's Living the Dream Report revealed the retirement dreams of 93 per cent of Australia's working nation, 10 million Australians, had been impacted by the 2014 Federal Budget, which set the new retirement age at 70.

Our survey showed that more than two thirds of Australians had planned to retire before 70.

Only seven per cent of Australians planned to retire at the age of 70-75 and young Australians in particular were most hopeful of being able to retire before the age of 50.

Double the amount of Generation Y plan to retire before the age of 50, 14 per cent. Across generations, women hope to retire at an earlier age than men.



# What do Australians dream of for their retirement years?

## Thinking about your retirement, what do you dream about the most?

	Average	Female	Male	Gen Y	Gen X	Baby Boomers
Good health	1	1	1	1	1	1
Financial security	2	2	2	2	2	2
Family time	3	3	4	5	3	3
Travel	4	4	5	3	4	4
Relaxation	5	5	6	6	5	5
Romance	6	6	3	4	6	6
Dream home	7	7	8	7	8	7
Time with friends	8	8	7	8	7	8

Australians wish for good health, financial security and quality family time during their retirement years.

Surprisingly men, and the younger Generation Y men in particular, are romantic when dreaming of their retirement years.

Men ranked romance as their third most important priority during their retirement years, while women ranked it sixth, behind good health, financial security, family time, travel and relaxation.

Australians have had enough partying by their retirement age, time with friends was generally ranked last across generations.

## Thinking about your retirement, what do you dream about the most?

	Average	Female	Male	Gen Y	Gen X	Baby Boomers
Yes	66%	63%	69%	54%	68%	75%
No	34%	37%	31%	46%	32%	25%

The majority of Australians, 66 per cent, are actively planning for their retirement years, however it's concerning that a third of Australia does not plan for retirement.

The youngest Generation Y are the least focused on retirement planning, unsurprisingly the older the generation the more focused they are on retirement planning.

These results reflect a need for further education about retirement and the benefits of planning and saving for retirement from a young age.

## How are you actively planning your retirement?

	Average	Female	Male	Gen Y	Gen X	Baby Boomers
Seeing a financial planner to better understand my super	6	6	6	6	6	4
Making additional contributions to my super	2	2	3	3	2	2
Actively managing my super account	4	4	2	4	5	3
Investing in property	3	3	5	2	3	5
Investing in shares	5	5	4	5	4	6
Putting money in a savings account	1	1	1	1	1	1

More Australians women are making additional super contributions to realise their dreams than men, however regular contributions into a savings account is the preferred method of funding dreams across all generations.

Seeing a financial planner ranked last on average, the Baby Boomers generation use a financial planner's advice more than any other generation.

Australian men are twice as likely to invest in the share market than women. Women prefer investing in property.

Generation Y is keen to get into Australia's very competitive property market as quickly as possible.

Generation Y prioritise investing in property above the older generations.

## Why aren't Australians planning for their retirement dreams?

	Average	Female	Male	Gen Y	Gen X	Baby Boomers
I find super complicated	2	2	3	3	2	1
My super is not important	4	4	4	4	4	4
I don't think about retirement	1	1	1	1	1	3
I don't have time to plan for retirement	3	3	2	2	3	2

While all Australians recognise the importance of super, the reason many aren't planning for their retirement is they don't think about retirement or find super complicated.

Concerningly, the number one reason Baby Boomers aren't planning for their retirement is because they don't understand super.

## Are you financially confident about being able to fund your retirement goals, dreams and plans?

	Average	Female	Male	Gen Y	Gen X	Baby Boomers
Yes	50%	47%	55%	52%	49%	50%
No	50%	53%	45%	48%	51%	50%

Australian men are more confident than women that they'll be able to fund their retirement dreams and plans.

More than half of men, 55 per cent, said they were confident, while more than half of women, 53 per cent, said they are not confident.

Across Australia half the working nation is confident about funding their retirement dreams and half are not. Sound financial advice could in some cases help address the financial challenges and ensure more people could achieve everything they hoped for.

## Why aren't you confident about being able to fund your retirement goals, dreams and plans?

	Average	Female	Male	Gen Y	Gen X	Baby Boomers
I don't understand my super	4	4	4	4	4	4
I don't have good savings	2	2	2	2	3	3
I don't have any investments	3	3	3	3	2	2
I don't have a good financial planner	5	5	5	5	5	5
I can't afford to add any more to my super	1	1	1	1	1	1

The number one reason Australians aren't confident about being able to afford their retirement dream is not having enough money – many Australians either can't afford to add any more to their super accounts or they don't have good savings.

Generation X and Baby Boomers also worry about not owning any investments.

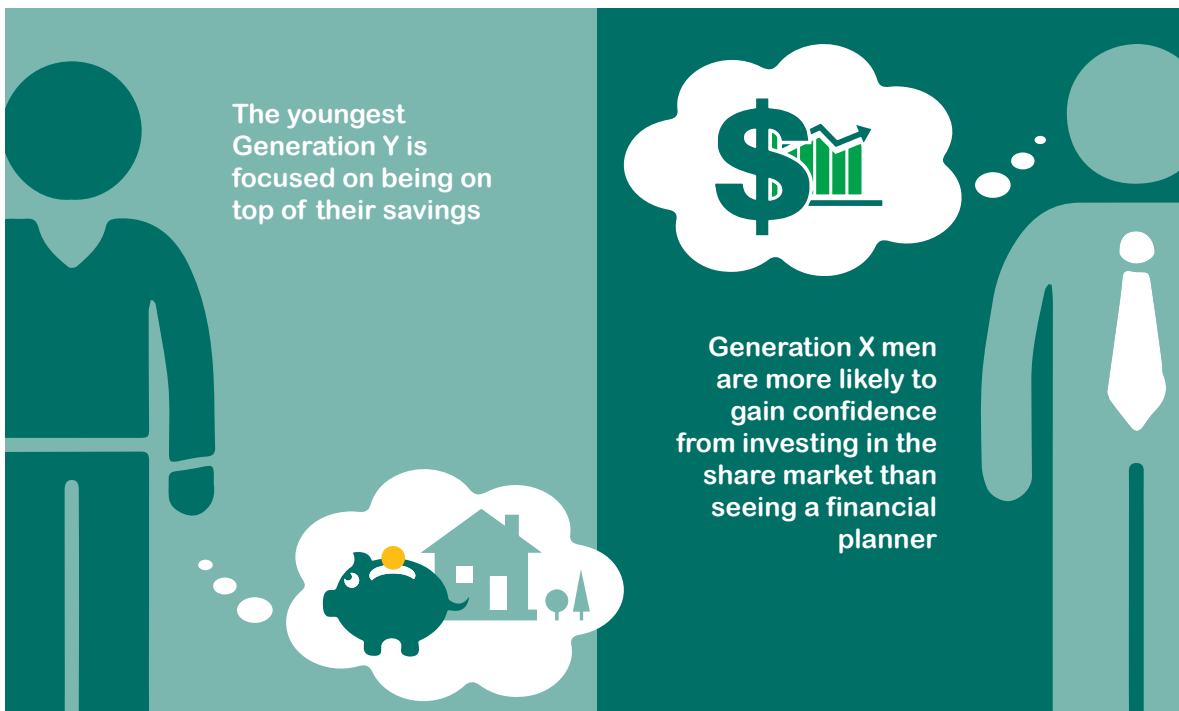
## What makes you confident about being able to fund your retirement goals, dreams and plans?

	Average	Female	Male	Gen Y	Gen X	Baby Boomers
I have a good understanding about my super	1	1	1	2	1	1
I have a good financial planner	4	4	5	4	5	4
I'm engaged and on top of my savings	2	2	2	1	2	2
I have good property investments	3	3	3	3	3	3
I have good investments in the share market	5	5	4	5	4	5

Australians that have a good understanding about their super and are engaged and on top of their savings are most confident about being able to afford their dream retirement lives.

The youngest Generation Y is focused on being on top of their savings, as well as having a good understanding of super and good property investments.

Generation X men are more likely to gain confidence from investing in the share market than seeing a financial planner.



## Conclusion

Australians value family and having a good lifestyle above all else.

In order to achieve happiness Australians work hard and make specific life, career and family goals they spend their lives working towards achieving.

While we strive for perfection, some Australians lack the foresight to think ahead and properly save and manage their finances to ensure they can live their dream lives now and continue to do so well into their golden years.

A number of families are struggling to make their dreams a reality and many older Australians cannot afford to live in the way in which they'd like to, due to a lack of financial resources.

When dreaming ahead to their retirement years, most Australians want good health, financial security and family time and the majority dream of retiring well before the age of 70.

More than half our working nation, 53 per cent, don't think about retirement and half of Australia are not confident they'll be able to fund their retirement dreams due to a lack of savings or not being able to top up their superannuation.

If Australians want to fulfill their retirement dreams and plans, they need to engage with their superannuation.

The report revealed that when it comes to financial matters, creating good financial goals was most important while using a financial planner or managing superannuation was the least important.

It is concerning that super and financial advice features so low in priority for Australians given the financial upside these factors could have on lifestyle dreams.

Australians need to start saving from a younger age, planning well ahead and thinking about their finances earlier, it is never too late to start improving your financial situation.

Every Australian should be able to realise their dreams.