

SECOND EDITION

# What I wish I knew about retirement

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Insights into the financial, health  
and lifestyle needs of older Australians





# Helping Australians make the most of retirement

Two years ago, TAL published the first edition of *What I Wish I Knew About Retirement*: a study aimed at understanding what Australians who are approaching or living in retirement actually experience, worry about and wish they'd done differently.

For this second edition, we surveyed a new cohort of pre-retirees and retirees, asking many of the same questions – and some new ones – to track what has and hasn't changed.

A lot has shifted in the retirement landscape over the past two years. **Cost-of-living pressures have reshaped how Australians think about their financial futures**, with more people now planning to stay in the workforce past age 65 than in our previous study.

Longevity is also becoming a more concrete concern: Australians are living longer and retiring healthier<sup>1</sup>, and their savings may need to stretch further than they once assumed.

The regulatory environment has also moved considerably. The Retirement Income Covenant has placed a clear obligation on super funds to actively support members through the retirement phase, not just during accumulation. APRA and ASIC have both stepped up their scrutiny of how funds are meeting that obligation.

That sharper focus is now being reinforced through clearer guidance on what good looks like. **Treasury's Best Practice Principles** set out member-focused practices, each under a continuous improvement loop, which include:

- deeper cohorting and insight
- solutions built from an appropriate mix of tools (access to lifetime income, account-based pensions and lump sums)
- better draw-down pathways
- clearer retirement income projections.

“

At TAL, we want to **help Australians retire with the confidence to enjoy the life they've worked hard to build.**

APRA and ASIC's latest Retirement Pulse Check is also a timely reminder that the gap is widening between trustees who are innovating for better member outcomes and those treating retirement as a compliance exercise.<sup>2</sup> **Regulators are calling for stronger governance, more targeted support and better measurement of outcomes.**

At TAL, we want to help Australians retire with the confidence to enjoy the life they've worked hard to build. This research shapes how we think about the retirement challenge and how TAL can help meet it: **from the products we develop, to the partnerships we build with super funds**, and the support we provide to advisers and their clients.

I hope you find these insights useful for continuing our conversations about what better retirement outcomes look like – and how we can get there together.

**Shaun Bransdon**

General Manager  
Retirement and Wealth  
TAL



## Find out more

For more information on this research or to ask our team how TAL can support you and your members, visit [group.hq.tal.com.au/retirement](https://group.hq.tal.com.au/retirement) or contact [groupcommunications@tal.com.au](mailto:groupcommunications@tal.com.au)



## About TAL

TAL has more than a decade of experience researching, designing and developing lifetime income solutions within the Australian retirement system, working closely with superannuation funds, policymakers and advisers.

**Our view is that retirement income works best when flexibility is combined with certainty.** Account based pensions provide the growth potential and access to capital that retirees need in their active years. Lifetime income streams can support confident spending and reduce reliance on the Age Pension over time.

Most members will engage with these solutions through their super fund, so **TAL focuses on helping funds deliver them at scale**, along with timely member engagement, digital modelling tools and adviser support.

This research is part of that work, helping us and the broader industry understand what **better retirement outcomes look like in reality** from the member's perspective.

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# About the research

The second round of TAL's Retirement Experience research was an online quantitative study of 2,000 Australians aged 55 or over, comprising 873 pre-retirees and 1,127 retirees, who provided self-reported answers to survey questions.

It was conducted in November 2025 by our research partner Edentify. Unless otherwise stated, all results reflected in this report are from TAL's study.

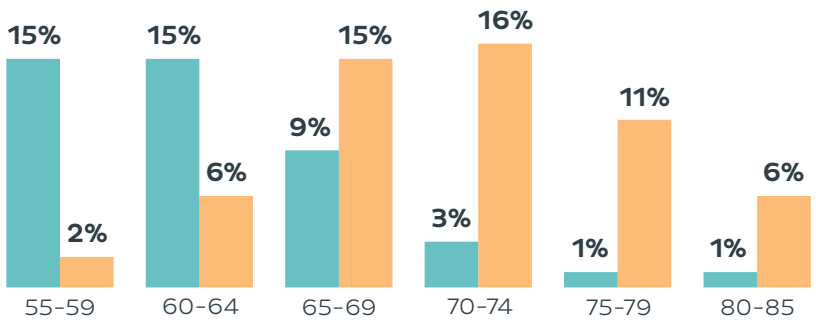
## Breakdown of survey respondents

### Retirement status



- 44% Pre-retirees
- 56% Retirees

### Age



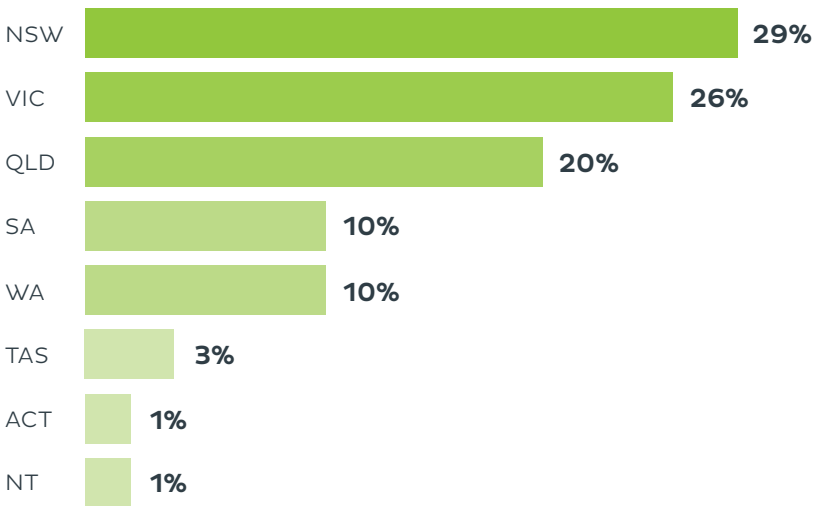
- Pre-retirees (of total)
- Retirees (of total)

### Gender



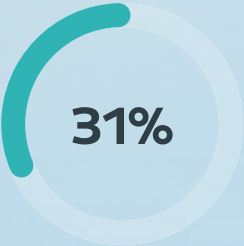
- 44% Female
- 56% Male

### Location

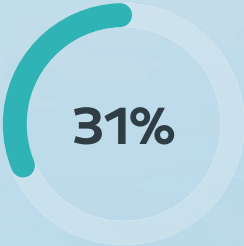


# Research highlights

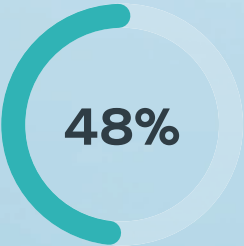
## PRE-RETIREEES



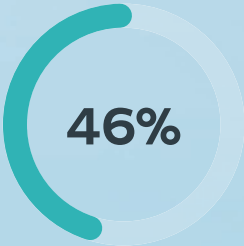
say they're taking no action to prepare for retirement



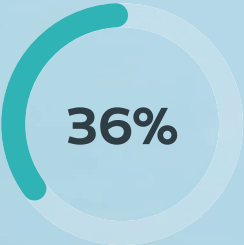
don't know their options for accessing their super



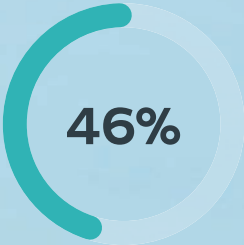
expect to have less spending power in retirement



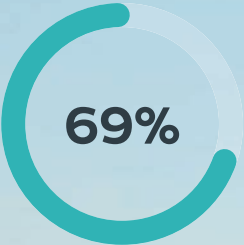
say declining physical health is their biggest retirement concern



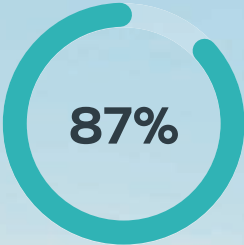
plan to work past age 69 (up from 27% in 2024)



expect their super to run out before the 20-year mark



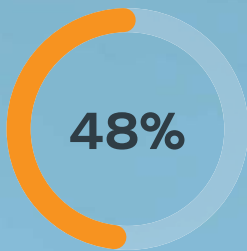
rank 'income for life' as a Top 3 feature when choosing a retirement product



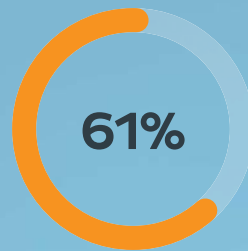
would want to find out more if their fund offered a lifetime income product



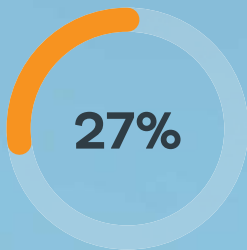
## RETIREEES



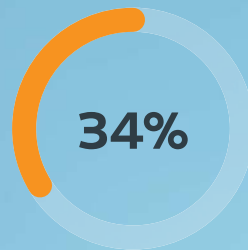
took no action to prepare for retirement (up from 39% in 2024)



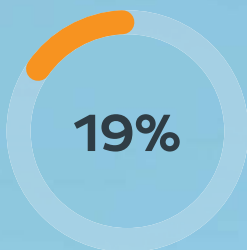
retired before age 65



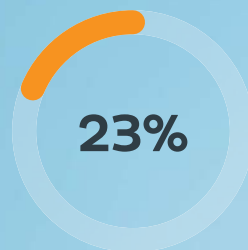
left their super in accumulation at retirement



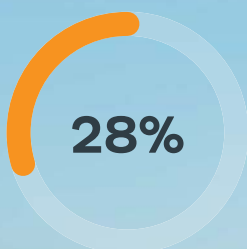
say they'll rely on the Age Pension if they're running out of money



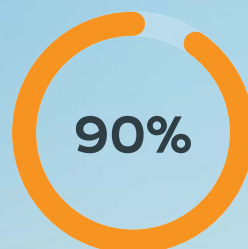
of those in their 80s wish they'd enjoyed their early retirement years more while they could



were renting or had a mortgage when they retired



didn't stay with their main super fund after retiring (up from 18% in 2024)



of those who chose a lifetime income product are satisfied with their decision



## Key insights

Despite decades of superannuation system maturity, too many Australians are still reaching retirement without a plan. Members are paying attention and they care, but what’s missing is a clearer pathway to understanding and action.

1

### Preparation rates aren’t improving

Nearly half of all retirees we surveyed took no meaningful action to prepare for retirement. Meanwhile, among pre-retirees, there are significant knowledge gaps: almost a third don’t know their options for drawing down their super, while a similar proportion don’t know how to go about accessing the Age Pension.

**The problem isn’t disengagement –** three-quarters of respondents describe themselves as engaged with their finances.

2

### Retirement reality brings surprises

Many retirees find themselves in circumstances they didn’t anticipate. Some retired earlier than they expected, with 61% of the surveyed Australians leaving the workforce before age 65. The Age Pension, which 47% of the retirees we surveyed currently rely on, tends to play a larger role than pre-retirees respondents anticipate.

**The product decision at retirement matters enormously,** with satisfaction varying widely depending on the choice retirees made.

3

### The ‘permission to spend’ problem

One in five retirees over age 80 said they wish they’d enjoyed their early retirement years more while they could. They may have held back out of uncertainty about how long their savings needed to last, and are now reflecting on experiences they didn’t have.

**Without the promise of an income for life,** even retirees with adequate savings may default to conservative spending at exactly the time when their health and energy are at their peak.

4

### Lifetime income: high demand, low awareness

As seen in this report, awareness of lifetime income solutions is low, yet interest is high – and satisfaction among those who have chosen one is among the highest of any retirement product.

**What’s missing is a pathway to awareness, understanding and action,** supported by clear information about the options available and how they work as retirement actually unfolds.



## The opportunity

**Members are engaged and they're looking for guidance**, but just over half of the members we surveyed are satisfied with the information and support their super fund currently provides.

Our study highlights where funds could have the greatest impact: earlier and more proactive engagement, clearer communication about options, and products that give members the confidence to spend their retirement savings.

While the research points to lifetime income solutions as part of the answer, no single product solves every retirement challenge, and the right approach will always depend on individual circumstances. What members need most is the guidance to help them make informed decisions.

## Ready or not: Preparing for retirement

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Our research shows that Australians are highly engaged with their finances, but knowledge gaps are wide and preparation rates are falling. Members know retirement is coming – they just don't know what to do next.



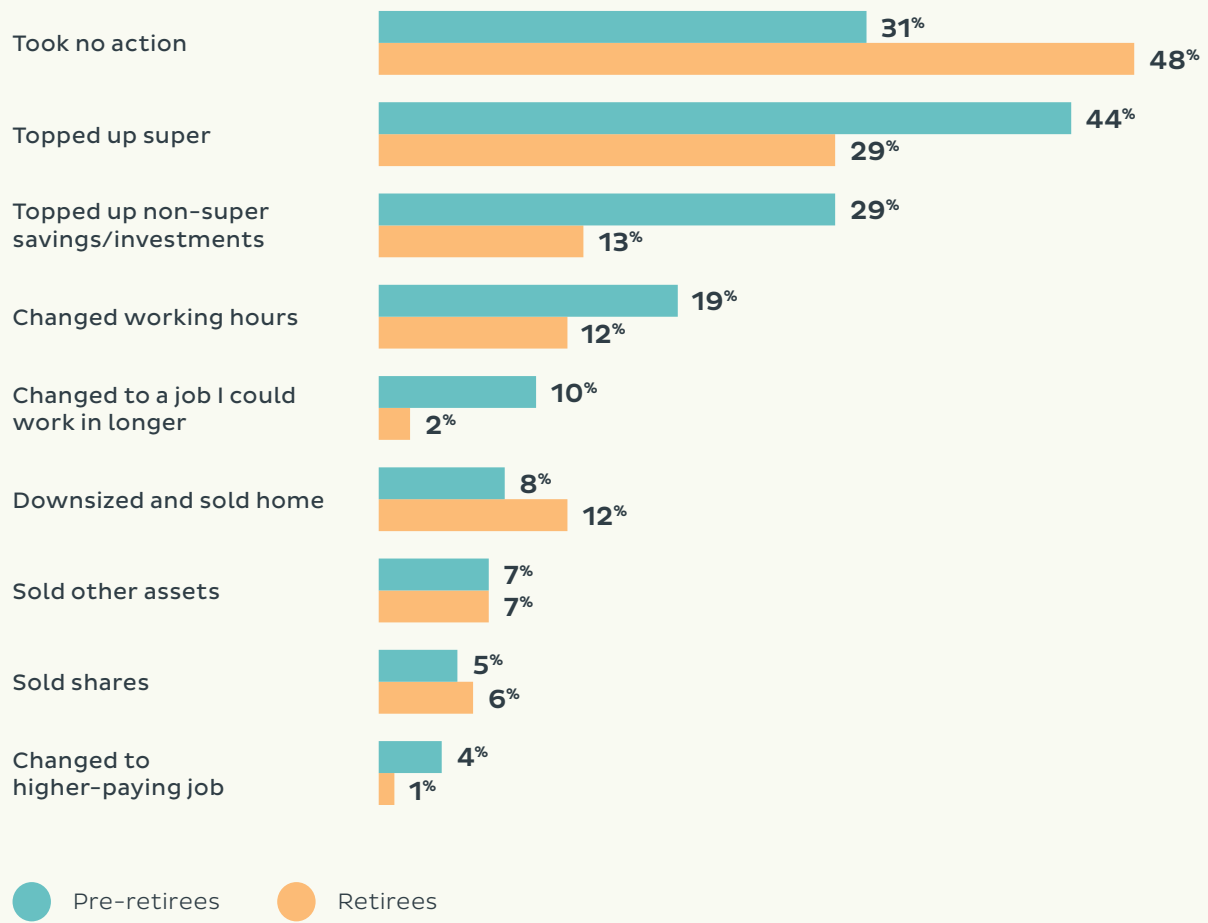
## The preparation gap

In our 2024 study, 39% of retirees said they'd taken no action to prepare for retirement. Two years later, **that figure has risen to 48%** (see Figure 1).

While this comparison is across two different cohorts, the finding is still concerning: each new cohort entering retirement includes **more people who didn't prepare adequately.**

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...each new cohort entering retirement includes **more people who didn't prepare adequately.**”

FIGURE 1:  
**Action taken to prepare for retirement** (multiple responses allowed)

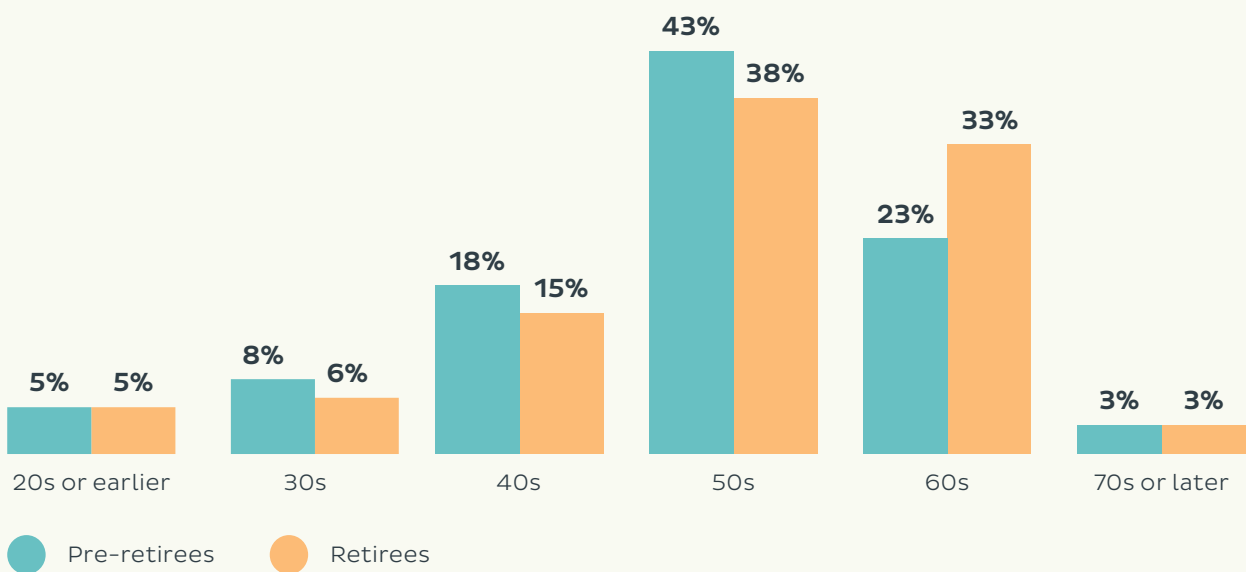




For retirees who did prepare, actions include **topping up super (29%) and increasing their non-super savings and investments (13%)**. However, as shown in Figure 2, only a quarter of these retirees started preparing before their 50s, **with over one-third not taking action until their 60s or later**. By this stage, the compounding benefits of additional contributions are significantly reduced.

Preparation rates have held relatively steady among pre-retirees: 31% are taking no action, compared to 32% in 2024. While stability is better than decline, nearly **one in three Australians are still approaching retirement without a plan**.

FIGURE 2:  
**Age when preparation began**



**Why are so few preparing?** The answer lies partly in knowledge gaps among pre-retirees:

**22%** don't know what they'll do with their super at retirement

**31%** aren't aware of the options available for accessing their super

**37%** don't know how to go out drawing down their super

**21%** don't understand the Age Pension eligibility requirements

**31%** don't know how to go about accessing the Age Pension



While super funds may be developing more comprehensive retirement solutions, **members need to know what's available** so they can access the options that are right for them.

## Engagement, confidence and anxiety

Despite the knowledge gaps, engagement is high. When we asked members how engaged they are in managing their own financial health, **around three-quarters of pre-retirees and retirees described themselves as either ‘engaged’ or ‘very engaged’**. Many Australians care about their financial futures, but this doesn’t always translate into action if they’re unclear about their options and the risks.

**Day-to-day financial stresses can also have an impact on forward planning.** When we look at budgeting patterns, only 29% of pre-retirees said they can afford what they want with money left over for regular saving or investing. What’s even more revealing is that almost half of pre-retiree respondents expect to have less spending power in retirement.

The confidence data highlights another troubling reality. Currently, 69% of pre-retiree respondents feel confident about their cognitive function and its impact on making financial decisions. But when they look ahead 20 years – to their late 70s and 80s – **only 36% expect to maintain that confidence**, with 31% expecting to be ‘not confident’ or ‘not at all confident’ by then.

Retirees self-report a similar trend: 79% of respondents are confident now in their ability to make financial decisions, but only 29% expect to still be confident in 20 years. This anticipated cognitive decline has important implications for product design – solutions that require a high degree of ongoing management are unlikely to serve older retirees well.

When it comes to picturing their post-work life, what worries pre-retirees most shows **the interplay between health and wealth** (see Figure 3).

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*Many Australians care about their financial futures, but **this doesn’t always translate into action** if they’re unclear about their options and the risks.*

FIGURE 3:

**Top 10 retirement concerns for pre-retirees** (multiple responses allowed)

Declining physical health	46%
Reduced mobility	44%
Needing long-term healthcare	40%
Declining mental capacity	36%
Not being able to afford the special things I want	33%
Super running out	33%
Non-super savings and investments running out	32%
Having enough money to live on day to day	27%
Becoming isolated from friends and family	22%
Being a financial burden on my family or society	21%

**Health concerns dominate, but financial worries run close behind.**

The two are intertwined, with 53% of pre-retirees expecting medical costs to be a major retirement expense. But the reality is different: with only 29% of retirees considering their healthcare spending to be significant.

**External worries also compound personal anxieties.** Four in five pre-retirees are concerned about political and economic factors impacting their savings – from market volatility and economic shocks to government policy changes. These concerns are shared by 72% of retirees, many of whom rely on investment returns from their super and may be worried about market conditions.

When we asked retirees to reflect on what they worried about that didn't actually happen, the picture shifts somewhat. Nearly a quarter (23%) used to worry about day-to-day finances, 21% about affording special things, and 20% about their super running out.

→ **However, 43% of retirees said none of their worries were unfounded – all their fears were justified.** This reduces to 38% among those who boosted their super or investments before retiring, but increases to 49% among retirees who didn't take any action to prepare for retirement.



Health Concerns

PRE-RETIREEES	RETIREEES
<b>53%</b>	<b>29%</b>
expect medical costs to be a major retirement expense	consider their healthcare spending to be significant



External worries

PRE-RETIREEES	RETIREEES
<b>80%</b>	<b>72%</b>
are concerned about political and economic factors	



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*This gap between how long retirement might last and how long savings will stretch creates anxiety that influences every financial decision...*

## The retirement timeline

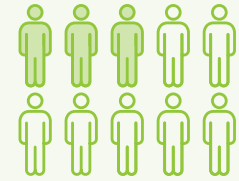
Consistent with our previous study, **40% of pre-retirees expect to retire around the ages of 65–69**. But the proportion planning to work longer has grown noticeably: 36% now expect to stay in the workforce into their 70s, up from 27% in 2024. This may reflect **ongoing cost-of-living pressures, coupled with increasing longevity**.

If we look at when current retirees actually stopped working, a different pattern emerges: 61% retired before age 65, while only 15% of pre-retirees expect to do the same.

Whether by choice or circumstance – redundancy, health issues, caring responsibilities or possibly the impacts of COVID-19 – **many Australians left the workforce earlier than they perhaps anticipated**.

Promisingly, 70% of pre-retirees believe they'll have about the right amount or more than enough money to live on, up from 62% in our previous study.

However, that still leaves **3 in 10** – representing hundreds of thousands of Australians – **who expect they won't have enough to live comfortably or, for some, fund basic expenses**.



### The longevity question creates particular uncertainty.

While 34% of pre-retirees expect their retirement to last longer than 20 years, 46% expect their super to run out before the 20-year mark.

This gap between how long retirement might last and how long savings will stretch creates anxiety that influences every financial decision – from how much to save now to how confidently they'll be able to spend later.



These patterns of low preparation rates, persistent knowledge gaps, declining confidence with age and uncertainty about longevity all point to the same conclusion: **super fund members need more than information**. They also need accessible pathways to action, products that address their core concerns, and support at the moments that matter most.

## Surprises and regrets: The retirement reality

Retirement often differs from expectations – sometimes positively, sometimes less so and sometimes in ways that only become apparent years after leaving the workforce.

### Adjusting to a new lifestyle

The good news is that 45% of retirees are enjoying retirement more than expected, with 34% finding themselves busier and more active than they thought they'd be. With ongoing medical advancements and increasing longevity, 52% believe they're in better health than their parents were at the same age (up from 47% in our previous study).

**So, what are retirees doing with their time?** Travel dominates: 61% have made it a major expense – aligning with the 57% of pre-retirees who say it's something they're excited about. Pre-retirees are also looking forward to enjoying hobbies, exercise and volunteering (57%) and generally having a more relaxed lifestyle (74%).

**| The early years of retirement, for those healthy enough to enjoy them, can be among life's best.**

But despite their positive experiences, many retirees look back on what they'd done things differently. Among those over age 80:

**19%**

wish they'd enjoyed their early retirement years more while they could.

**14%**

wish they hadn't worried so much about saving super for a rainy day.

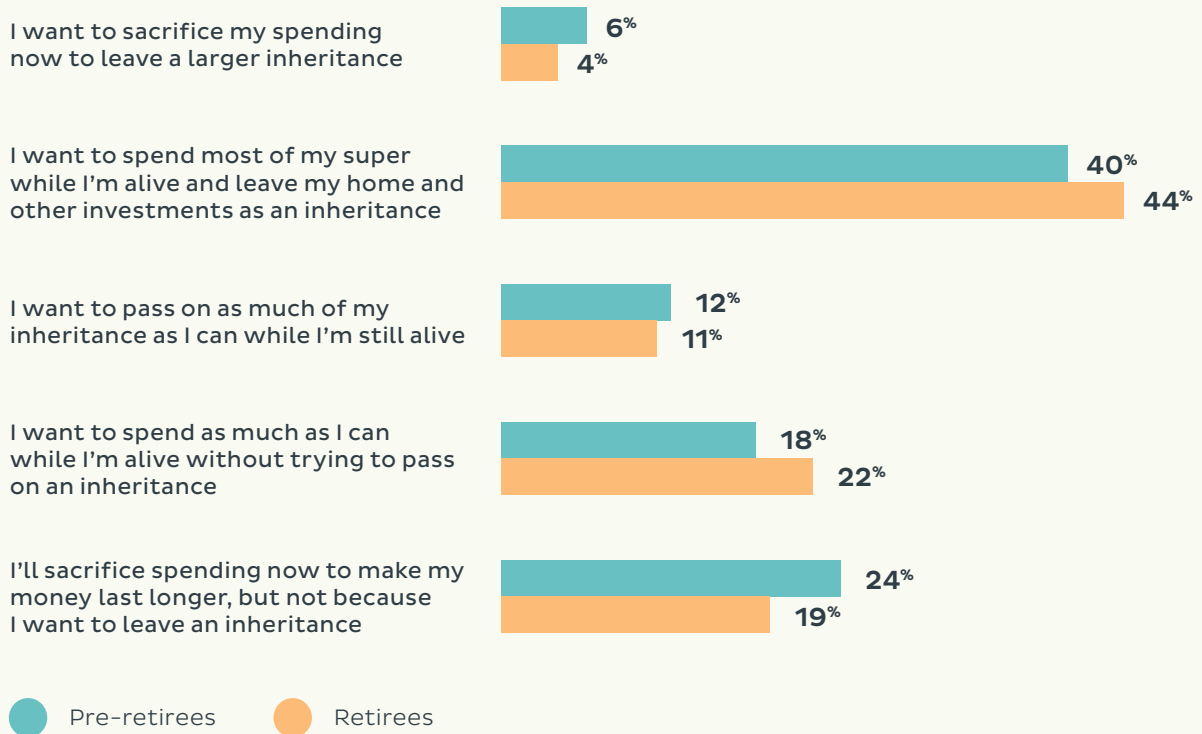
**13%**

wish they'd spent more time with family.



Figure 4 shows that only a **small proportion of pre-retirees and retirees want to sacrifice their own spending to leave a larger inheritance.**

FIGURE 4:  
**Inheritance intentions**



The majority plan to either spend most of their super and leave their home and investments as an inheritance, or pass on what they can while they're still alive – while some aren't focused on leaving an inheritance at all.

## The 'permission to spend' problem

The 19% of retirees over 80 who wish they'd enjoyed their early retirement years more weren't saving for their children – they were afraid to spend their money, and now they regret holding back. Without certainty about how long their savings need to last, even retirees with adequate savings default to caution at exactly the stage of life when they're most able to enjoy it.

To add further complexity to the mix, 27% of retirees expect to live longer than they initially thought when they first retired – down from 34% in our previous study.



For those who do live longer than expected, **savings need to stretch further**, creating financial pressure for the ones who haven't planned for it.

## The critical super decision

**When Australians retire, they face a pivotal choice about their superannuation.** This decision shapes their entire retirement income strategy, but the research suggests that many may make it without full understanding of their options or the implications of each.

The patterns shown in Figure 5 closely mirror our 2024 findings, suggesting that product choices at retirement have remained stable. This is to be expected, given that the product options for unadvised members are largely unchanged.

**The satisfaction gap is striking.** Figure 5 shows that around 9 out of 10 of those who converted their super to pension accounts, annuities or lifetime income products are happy with their decision, compared to only two-thirds of lump sum withdrawers. The 27% who left their super in accumulation fall in between.

It's worth noting that people may choose to withdraw a lump sum for specific reasons like paying down debt or funding a particular need, so lower satisfaction may partly reflect their circumstances rather than the product choice alone.

Even so, the gap is significant and **reinforces the value of informed decision-making** at the point of transition.

Given that many potentially made these decisions without fully understanding their options, it's critical to ensure that members have clear information about the implications of each decision.

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**9 out of 10** of those who converted their super to pension accounts, annuities or lifetime income products are happy with their decision, compared to only two-thirds of lump sum withdrawers.

FIGURE 5:  
**Retiree superannuation strategies and outcome satisfaction**

What retirees did with their super		Happy with decision
Converted it to a regular pension/income account	33%	90%
Moved it to an annuity/lifetime income account	9%	90%
Moved some to annuity/lifetime income and some to pension	8%	86%
Left most of it in my super (accumulation) account	27%	81%
Other (e.g. SMSF)	7%	76%
Withdrew all or most as a lump sum	16%	66%



Among pre-retirees, 21% don't yet know what they'll do with their super, representing a significant planning gap (see Figure 6). Combined with the 10% planning to stay in accumulation (potentially missing tax benefits) and 10% planning lump sum withdrawals, **nearly half of pre-retirees could be heading towards sub-optimal outcomes** – and may later wish they'd made a different decision.

On the other hand, 36% expect to convert their super to a pension or income product. A further 21% plan to seek financial advice, suggesting growing recognition that this decision warrants professional guidance.

However, pre-retirees still lack clarity: 31% don't know what options are available for accessing their super. **Bridging this knowledge gap is essential** for enabling choices that may give them financial certainty throughout their retirement.

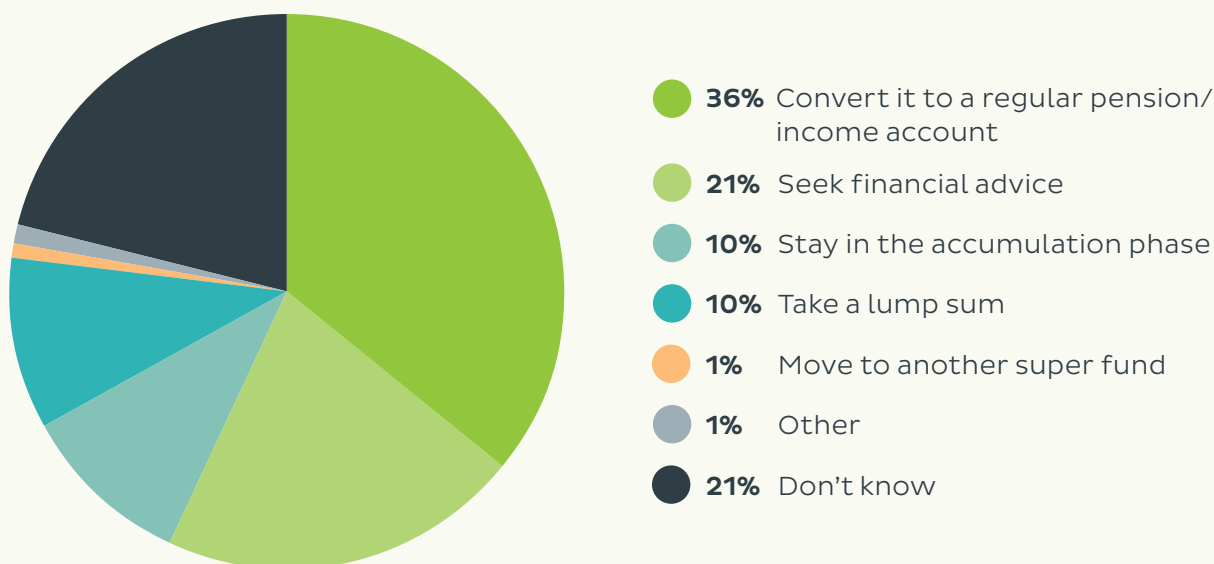
The superannuation decision at retirement can be irreversible for many people. Unlike investment choices during accumulation, which can be adjusted over time, **the choice of how to access super often locks in a pattern that's difficult to change**. Members who withdraw lump sums may not be able to put that money back into the concessional tax super environment, while those who leave money in accumulation may continue paying tax on earnings unnecessarily.

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*...nearly half of pre-retirees could be heading towards sub-optimal outcomes – and may later wish they'd made a different decision.*

FIGURE 6:

### What pre-retirees plan to do with their super



While more than half of retirees (55%) feel confident their savings will last their lifetime, the remaining 45% don't think so or aren't sure. **With the right information and support, super funds can help ensure their members are better placed to make informed decisions.**

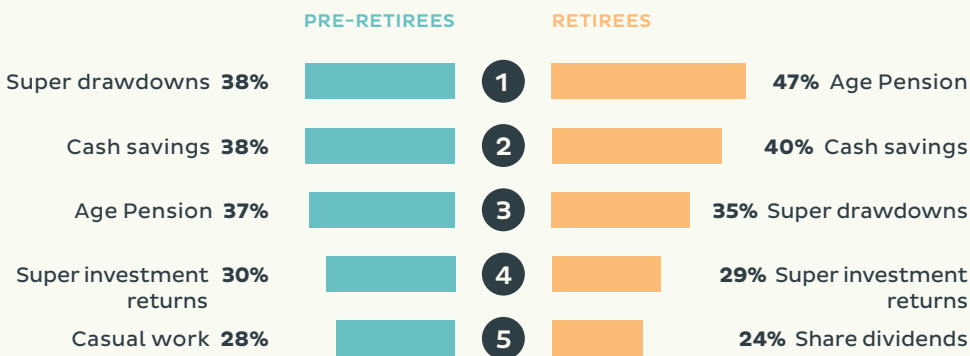
## Reliance on the safety net

It's estimated that **80% of Australians will access the Age Pension** at some point during retirement.<sup>3</sup>

When we asked retirees to list the income sources that are currently funding their retirement, the average was 2.1 sources across all respondents. At the top of the list was the Age Pension, which nearly half (47%) currently receive. The other most-used income sources are cash savings (40%) and super drawdowns (35%).

**Pre-retirees may be underestimating this reality:** when asked what income sources they plan to use, they rank the Age Pension third (37%), just below cash savings (38%) and super (38%).

FIGURE 7:  
**Top 3 income sources: expectation vs reality**



It's worth noting that retirees who now rely on the Age Pension **didn't enter retirement empty handed** – every respondent in our study had at least \$100,000 in super. But many who consider themselves self-funded are also actually government-supported.

The path to Age Pension dependency often starts early on. A quarter of retirees didn't own their home outright when they retired – 15% had mortgages and 8% were renting. Of the 16% of retirees that took all or most of their super as a lump sum, 14% of that cohort have paid off mortgages since retiring. This suggests that **debt elimination** may be driving some of these withdrawals.

For the 8% of retirees who are renting, the position is even more precarious. Ongoing housing costs throughout retirement with no prospect of elimination make the Age Pension essential rather than supplementary.

When asked what actions they'd take if they were worried about running out of money, **34% of retirees said they'd simply rely on the Age Pension**. Another **40% would reduce spending**, which could mean cutting back at an age when health costs typically rise.

→ Even among the 61% of retirees who believe they're drawing down their super at the right rate, **11% worry about the money running out**.

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*For the 8% of retirees who are renting, the position is even more precarious. Ongoing housing costs throughout retirement with no prospect of elimination make **the Age Pension essential rather than supplementary.***

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## The role of lifetime income

**Nine in ten of the retirees** we surveyed who chose a lifetime income product are satisfied with their decision. But awareness of these solutions is low – and there’s still a wide gap between what members want and what they know is available.



### WHAT MEMBERS WANT

Figure 8 shows that only **38% of pre-retirees are familiar with lifetime income products** and their benefits, while a further 34% have heard of them but don’t know how they work.

Among retirees, 66% say they would have been interested if such products **had been available when they retired** – representing hundreds of thousands of Australians who might have chosen differently if they’d had access to a broader range of products and more information.

The 34% of pre-retirees that have heard of lifetime income products but don’t know how they work represents a critical gap – awareness without understanding doesn’t drive action. And if their fund were to offer this type of product, 87% of pre-retirees express at least some interest in finding out more (43% somewhat interested, 31% interested, 13% very interested). While interest in information isn’t the same as product demand, these results are consistent with our previous study, **suggesting a genuine appetite that isn’t being met.**



When we asked pre-retirees to rank six features that would be most important to them when choosing this kind of product, there’s a **clear demand** for having an income for life, protected against inflation.



... there’s a clear demand for having an **income for life, protected against inflation.**



FIGURE 8:

**Awareness of lifetime income products and annuities**

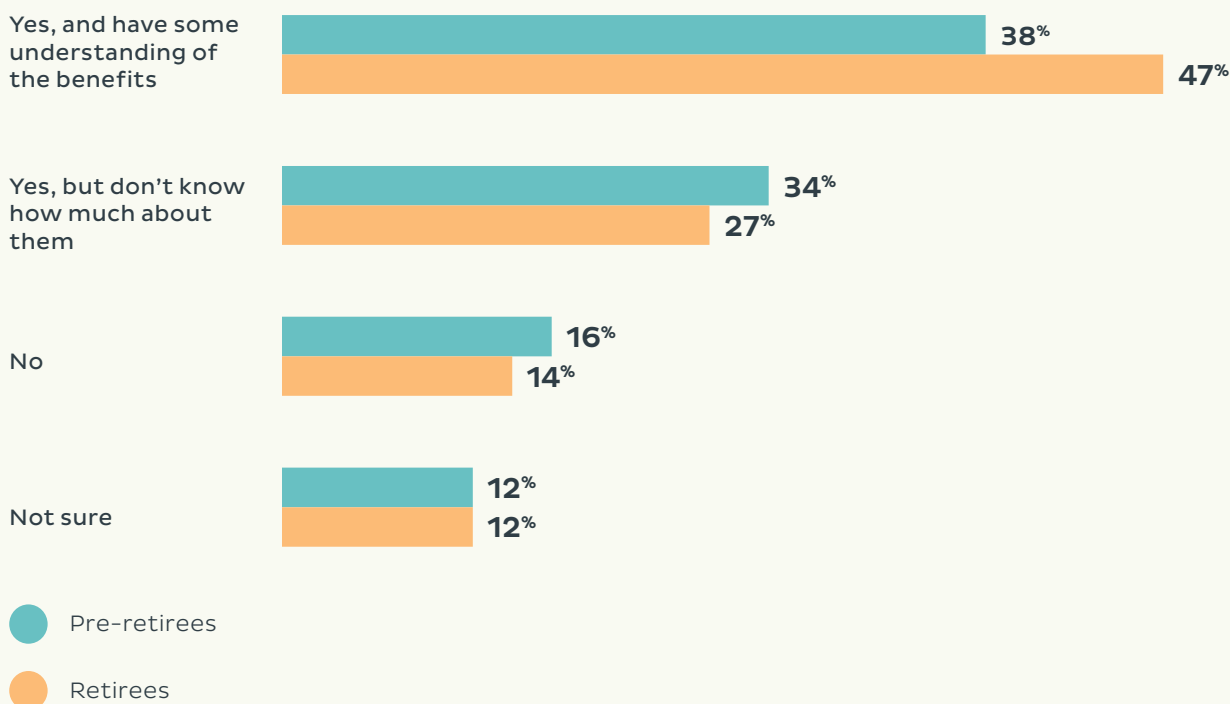


FIGURE 9:

**Preferred features of lifetime income products**

	Pre-retirees who ranked this as #1	Pre-retirees who ranked this in the top 3
Income lasts for my whole life	35%	69%
My income payments keep up with inflation	21%	66%
My income payments are maximised	18%	54%
Competitive fees	12%	43%
My income payments are guaranteed not to change	8%	40%
Ability to transfer payments to a beneficiary after I die	6%	26%



## ENABLING FINANCIAL CONFIDENCE

It's important to note that like any financial product, lifetime income solutions and account-based pensions involve trade-offs around liquidity, access to capital, the value and duration of payments, and market volatility. That's why members obtaining financial advice, especially regarding a partial rather than a full allocation of funds, matters.

An approach that may reduce the 'permission to spend' problem is to have an account-based pension with a lifetime income stream working together. A lifetime income stream on its own could leave retirees income-secure but capital-poor, with limited ability to manage unexpected expenses or enjoy the active early years of retirement.

Among the retirees we surveyed, **34% said they'll rely on the Age Pension when they run out of money.** Sole reliance on the Age Pension positions retirees below ASFA's retirement standard for a modest retirement.<sup>4</sup> But with a lifetime income in place, subject to their own limitations, retirees can more confidently draw down their account-based pension in retirement, knowing they may have an additional income stream later to supplement any Age Pension entitlements.

Account-based pensions can provide flexibility and access to capital, and may also offer growth potential. Lifetime income may provide certainty of payments, subject to market volatility and conditions, and can offer the peace of mind that may enable confident spending.

Together, they create a resilient income strategy that adapts to changing needs over the decades of retirement. The phased approach also matches spending to life stages: higher, flexible spending in the active years when travel and experiences matter most, before transitioning to a reliable income in later years when security becomes the priority.



Offering a solution to the 'permission to spend' problem with a combined **account-based pension and lifetime income may also provide financial confidence** for the 94% of pre-retirees noted in Figure 4 who want to make the most of their money while they can, rather than sacrificing spending to leave a larger inheritance.





## BRIDGING THE GAP BETWEEN AWARENESS AND ACTION

Although members are interested in lifetime income products, **uptake still remains relatively low**. The 34% of pre-retirees noted in Figure 8 who have heard of these products but don't understand how they operate points to a communication challenge.

Modern lifetime income products have evolved significantly, offering features like withdrawal options, partial allocations and flexible contribution levels. But many members may not know these features exist or how they work in practice. Most strategies involve allocating only a portion of super to lifetime income while maintaining an account-based pension for flexibility – but again, this combination approach may not be well understood.

The solution lies in **clearer communication focused on outcomes** rather than technical complexity.

When members understand what these products deliver – the promise of an income for life and the confidence to spend more freely – rather than the mechanics behind them, the value proposition becomes clearer. Presenting outcomes through soft defaults and presets, rather than asking members to make complex decisions from scratch, can play a significant role.



*When members understand what these products deliver – the promise of an income for life and the confidence to spend more freely – rather than the mechanics behind them, **the value proposition becomes clearer.***



**Phased education is also important** – from explaining foundational concepts well before retirement, to personalised support at the point of transition and throughout the retirement journey. To cast the widest net, these activities can be delivered through multiple channels: digital tools, seminars, face-to-face advice and phone support.



## Trust and guidance

Most members trust their super fund, and many are looking for retirement guidance. It's a solid foundation – but currently only just over half are satisfied with the support their fund provides.

When members look to learn more about super and investments, two sources dominate (see Figure 10) – but there have been some surprising changes.

In our previous study, pre-retirees clearly favoured their super fund over financial advisers (51% vs 42%). That gap has almost entirely closed, with funds now at 46% and advisers at 45%.

But during the last two years, **there's been a downward shift among retirees** – both for advisers (from 45% to 39%) and super funds (from 37% to 30%). Once the retirement decision is made, it seems that members are less inclined to either maintain an ongoing adviser relationship or seek guidance from their fund.

**What makes these results surprising is the trust underlying a member's relationship with their super fund:** 64% of pre-retirees and 60% of retirees said they trust their fund to advise on their retirement needs.

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*Once the retirement decision is made, it seems that members are **less inclined to either maintain an ongoing adviser relationship or seek guidance from their fund.***

### What members actually want to know

As shown in Figure 11, pre-retirees' questions are practical – they want targets and certainty. Only 18% say they don't need additional information, meaning more than four in five (82%) want guidance in at least one area.

**Retirees' needs shift predictably.** Having navigated the transition, more than half (53%) say they don't need more information. Among those who do, aged care planning tops the list: an issue that becomes concrete as retirement progresses.

When asked what guidance they expect from their fund, guidance on investment strategy leads for both groups (61% of pre-retirees, 51% of retirees). Budgeting and drawdown information ranks a close second (56% of pre-retirees, 46% of retirees). Tax and the Age Pension also feature prominently.



Members aren't just expecting their fund to grow their money – they want **holistic support** to help them navigate retirement



FIGURE 10:

**Where members go for information on super and investments**

(multiple responses allowed)

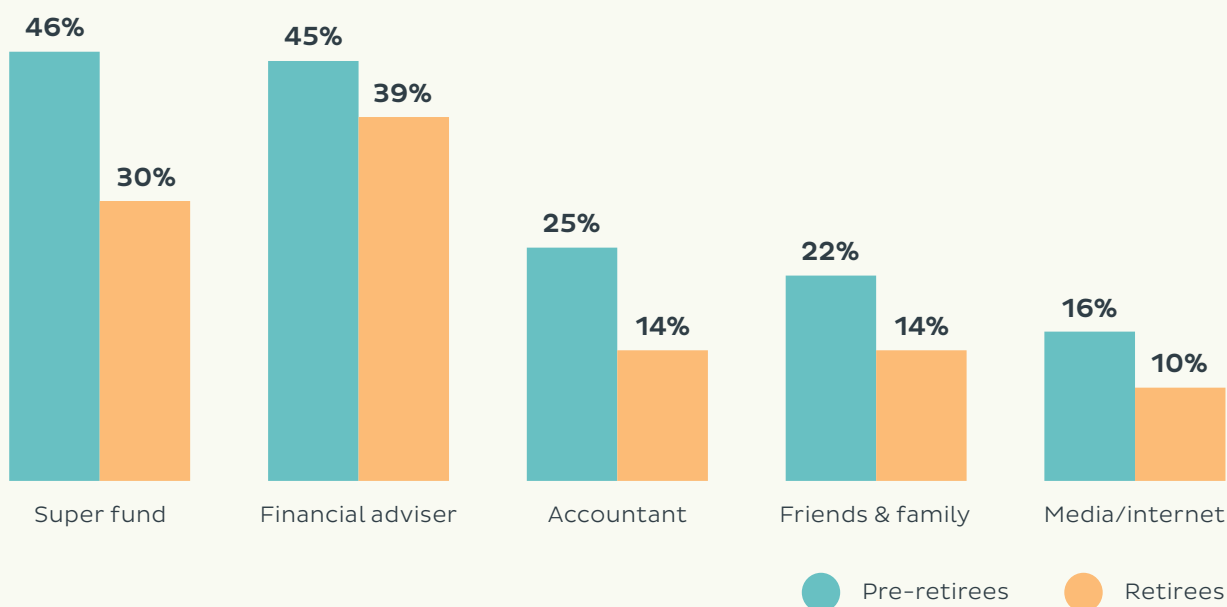


FIGURE 11:

**Top 5 information needs for pre-retirees and retirees**

(multiple responses allowed)

Pre-retirees	
How much super will I be able to draw down comfortably each week, month or year?	41%
How much money do I need to retire comfortably?	38%
How should I invest and use my super when I retire?	32%
How can I convert part of my super to a regular income stream?	31%
How much super am I likely to have at retirement?	29%
None of these	18%
Retirees	
How can I learn about and pay for my future aged care needs?	23%
When will be able to access the Age Pension and how much am I likely to receive?	17%
How much super should I comfortably draw down each week, month or year?	16%
Where can I go for financial advice, and how much will it cost me?	13%
How much can I leave as an inheritance without impacting my retirement lifestyle?	10%
None of these	53%

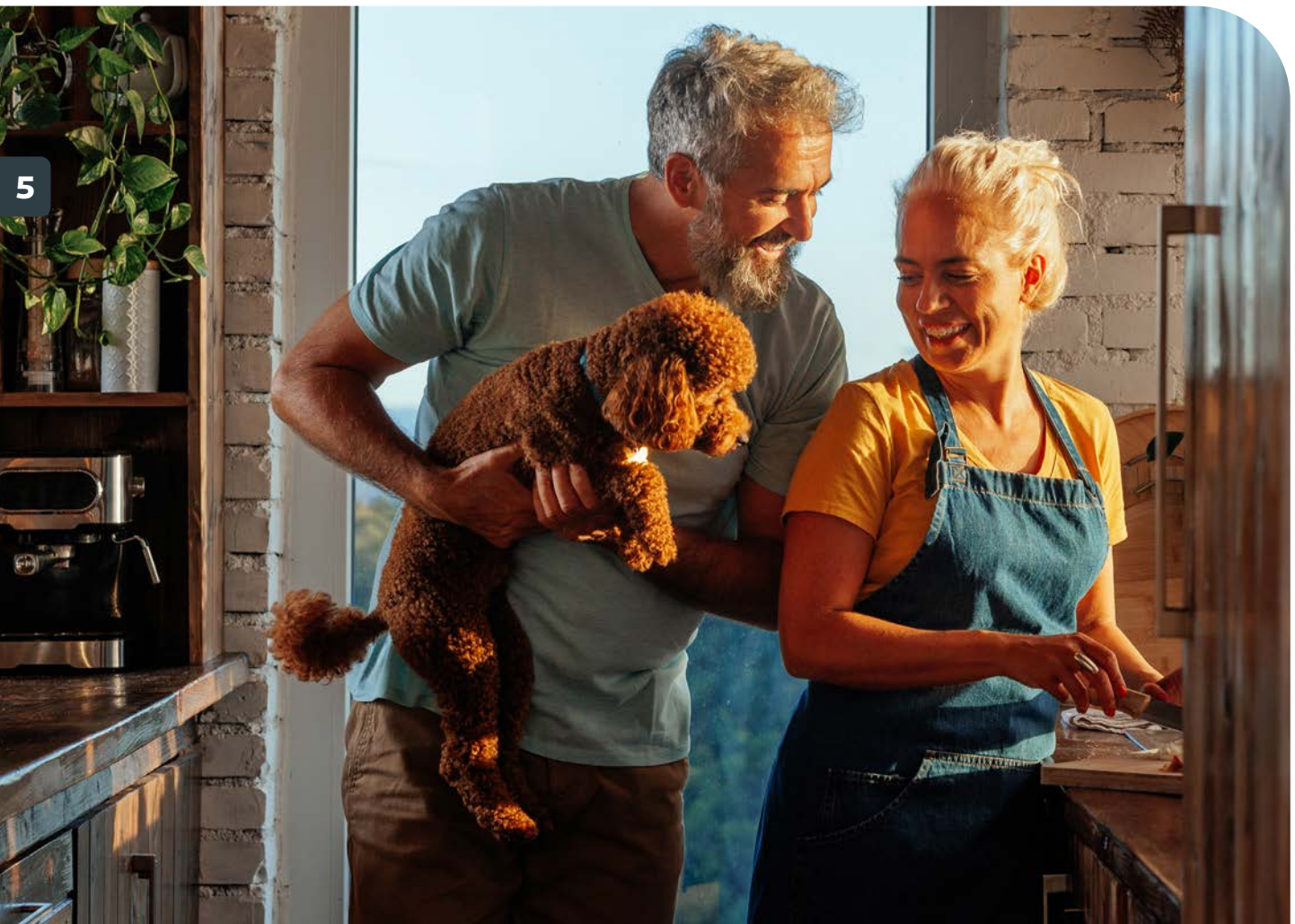


FIGURE 12:  
**Pre-retiree  
 service preferences**



**50%**

Face-to-face  
 advice as needed



**39%**

Digital tools



**36%**

Seminars



**29%**

Call centres



**24%**

Regular advice

## How members want to be supported

Service preferences among members are more nuanced than a simple digital-versus-human divide. Face-to-face advice dominates (50% of pre-retirees, 45% of retirees), but the qualifier matters: these members want advice as they need it, not on a regular basis.

What they're describing is access to a trusted human at critical moments – **when they're approaching retirement, making super decisions, or navigating life changes** – not a comprehensive, ongoing adviser relationship.

Digital tools rank second among pre-retirees (39%), appealing to those who want to explore options independently and at their own pace. Seminars (36%), call centres (29%) and regular advice (24%) round out the picture.



The consistent message is that **members want choice and accessibility**: face-to-face for complex decisions, digital for exploration, structured formats for learning, and phone for quick questions.

## The satisfaction issue

**Engagement and trust are high, and there's a clear opportunity to convert that goodwill into better member outcomes.** But currently, just over half (55%) of pre-retirees are satisfied with the information and support their fund provides, rising to 59% among retirees.

The areas where members want more information are practical and outcome-focused, including:

- **understanding** what products are available
- **guidance** on sustainable drawdown rates
- **navigating** Age Pension eligibility.

Addressing these questions in **plain language** and through **accessible channels** is the clearest path to lifting satisfaction.

One data point underscores how much is at stake: **28% of retirees didn't stay with their main super fund when they retired.** After potentially decades of membership, more than one in four leave at the moment that matters most. Among those who left, 39% cashed out and 24% followed an adviser's recommendation to switch.

For retirees who stayed with their fund, 31% did so out of trust, 26% because of good returns and 24% simply because it felt like a hassle to change. The opportunity lies in **ensuring that pre-retirees understand what retirement products are on offer**, so they feel confident and informed about their fund's options without needing to look elsewhere.



The proposed Delivering Better Financial Advice reforms point in the right direction. Simplified advice pathways, expanded intra-fund advice and digital enablement could enable funds to **provide retirement income guidance at scale**. This may help bridge the divide between generic education that doesn't drive action and comprehensive advice that many members can't or won't access.

“

*The opportunity lies in ensuring that pre-retirees **understand what retirement products are on offer**, so they feel confident and informed.*



# Closing the gaps

The research identifies areas where members are struggling and how super funds can support them.

Five gaps stand out that can be addressed with the right combination of product design, education and proactive engagement.

1

## The preparation challenge: Starting early

Half of retirees (48%) took no action to prepare for retirement, up from 39% in our previous study. Among those who did prepare, more than one-third didn't start until after age 60, well past the point where additional contributions deliver their greatest compounding benefit.

The challenge isn't that members are disengaged with their finances, it's that engagement isn't being converted into action. Funds that start meaningful retirement conversations earlier, and make preparation feel concrete rather than overwhelming, are more likely to move the dial.

2

## The paralysis problem: Personalised guidance

One in three pre-retirees don't know their options for accessing their super at retirement. The retirement transition is the moment when confusion is most costly.

Our research indicates what members are looking for: personalised guidance that fits their situation. Decision frameworks, guided defaults and clear explanations of outcomes are what can bridge the gap between knowing and doing.

3

## The accumulation conundrum: Busting the myths

More than a quarter of retirees left their super in the accumulation phase. For some, this may be a deliberate choice, while others may have misconceptions about tax treatment, control or flexibility that don't hold up.

Plain-language comparisons at the point of transition – with prompts to seek guidance for those who aren't sure – can help ensure their decision is an informed one either way.

4

## The late-retirement income gap: Smoothing income for life

Account-based pensions deplete over time, medical costs rise and many retirees feel that they'll live longer than they'd planned for. Without income certainty in later retirement, many retirees are expecting to reduce spending or fall back on the Age Pension at the stage of life when financial pressure is hardest to absorb.

Products that smooth income across the full span of retirement address this vulnerability directly.

5

## The regret factor: Permission to spend

One in five older retirees wish they'd enjoyed their early retirement years more, and potentially held back out of uncertainty.

When savings may need to last for an unknown number of years, spending conservatively is the rational response – even when health and energy are at their peak. Having certainty around future income can help change that.

## What connects the five gaps



### Product designs that solve real problems

Combining an account-based pension with a lifetime income stream may address the uncertainty of what to do at retirement to alleviate the ‘permission to spend’ problem. Thoughtful defaults and soft nudges – such as guided allocation prompts at the point of transition – can lower the decision barrier and may help members make an informed decision that meets their needs.



### Education at scale

Timing matters as much as content. Foundational concepts and product-specific education need to land well before retirement, followed by personalised recommendations at the transition and ongoing guidance as circumstances change. Delivery can span multiple channels: digital tools, seminars, face-to-face guidance and phone support.



### Proactive engagement

One-third of pre-retirees are taking no action, and a similar proportion don’t know their options for accessing their super. Age-based triggers, retirement readiness check-ins and direct outreach in the years leading up to retirement are more likely to shift preparation rates than passive communication. Digital modelling tools give members a way to explore their options independently, while adviser and phone support ensure that complex decisions don’t have to be made alone.



Closing these gaps is about making the next steps for members **straightforward and timely**. The most effective support combines simple education (what and why), guided decision-making (what this means for me), and product pathways (how I take action) that reduce complexity at the exact moments when it matters most.



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## References

**1** Australian Institute of Health and Welfare, *Older Australians*, July 2024. **2** APRA & ASIC, *Industry Update: 2025 Pulse Check on Retirement Income Covenant Implementation*, November 2025. **3** Australian Treasury, *Retirement income review*, 2020. The review concludes that most Australians will rely on the Age Pension at some stage of retirement, including many who begin retirement self-funded. Industry estimates (e.g. Retirement Essentials, 2023) place lifetime Age Pension incidence at around 80%. **4** ASFA and Services Australia. ASFA's Retirement Standard (December quarter 2025). cites the current cost of a Modest retirement lifestyle for homeowners as \$35,503 a year for singles and \$51,299 for couples, and for renters at \$50,055 for singles and \$67,639 for couples. A Modest retirement is defined as covering basic needs such as food, utilities, clothing, transport and healthcare (assuming the retiree is in reasonable health). As at 20 March 2026, the maximum basic rate for the Age Pension (with supplements) is \$31,223 a year for singles and \$47,070 for couples.

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