

Older Generations Face Pensions Pinch

More must be done to help older generations through their retirement, a pensions organisation has claimed.

October 2, 2008 (FPRC) -- According to the Life Trust Foundation, the fact that people are living longer means there is a risk that today's workforce will be unable to save adequately to see them through their later life. The group's comments came during a seminar held today (October 2nd) which saw prominent politicians and other interested parties discuss the problems facing elderly people now and in the future. Chairing the symposium was the Lord Hunt of Wirral, chairman of the Life Trust Foundation, who warned that the problems of looking ahead to the future are being exacerbated in a consumer environment where it is difficult just to make finances stretch the month.

For those who are worried about their capacity to save for the future as bills mount up, taking out a loan for the purposes of debt consolidation may prove an effective way to stop finances falling further into the red. In applying for this type of loan, people may find they are able to repay high-interest debts more quickly and reduce other outstanding balances over a longer period of time, perhaps leaving a little aside each month to be placed in a savings vehicle to be called upon in later years.

Lord Hunt warned that with people living longer, failing to consider future finances could leave the nation in the grip of a pensions pinch.

'A 50-year-old today has a one in four chance of reaching the grand age of 95. These extra years can be very expensive, especially if you take into account expenditure such as healthcare provision. Long-term thinking doesn't come naturally to many people and this puts the onus on financial services providers and the wider collective to raise awareness of the impacts of increasing longevity. We are urging the industry to bolster understanding of the impacts of increasing longevity and to improve accessibility to products that can help people financially address the fact that they may live a long life,' he explained.

Meanwhile, minister for pensions reform Mike O'Brien described the prospect of a pensions pinch as one of the biggest problems facing the country, with few people saving adequately to see them through their later years. He explained that the state, financial service providers and individuals all held a collective responsibility to take action and prevent the country from slipping into a retirement crisis.

Concluding, Professor Sarah Harper, director of the Oxford Institute of Ageing, explained that today's society faces a whole new set of problems and must adopt an altered approach to helping people through their later years.

The problem of putting money aside for retirement was also recently pointed out by Key Retirement Solutions, which showed that a large number of over-55s are currently in debt as they struggle to keep up with financial commitments such as mortgages, loans and credit cards.

It showed that within this age group, more than a third (35 per cent) had some level of unsecured debt on items such as credit cards and personal loans.

All About Loans providing you with breaking personal finance news.

Contact Information

For more information contact Alouicious Flight of All About Loans (<http://www.allaboutloans.co.uk>)

Keywords

[debt consolidation](#)

[personal finance](#)

[loans](#)

You can read this press release online [here](#)