Note

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People's protection in the new world of work

- **Landmark global study of behaviors by Zurich and the University of Oxford identifies most vulnerable groups in rapidly changing work environment.**
- **Having too little saved for retirement is the top financial worry globally.**
- **Women are most vulnerable to changes in the world of work and face greater risk.**
- **A third of millennials are as concerned about their financial futures as their parents.**

Zurich, June 20, 2019 – The traditional model of a job for life with one single employer is no longer the only valid career path. New technology is creating more opportunities for self-employment and 'gig' work, meaning people have greater freedom to change jobs and move from location to location. However, while workers' flexibility increases, they are also more prone to gaps when it comes to job and income security. At the same time, arrangements that have provided safety nets and financial protection have failed to keep up with changes in how people work. Therefore, it is important to gain insights into the ways real people are evolving and coping with the new realities that affect not just individuals in the workforce, but society as a whole.

Working people around the world are worried that they will be poorer than expected when they retire. The young are as anxious about their financial futures as their parents, but women are the most vulnerable as they are least likely to have pensions and insurance policies to protect them.

These are among the findings of a major new study, Perceptions on protection: Surveying workers to build new agile solutions, by Zurich Insurance Group (Zurich) and the Smith School of Enterprise and the Environment at the University of Oxford that is based on a representative sample of the working population in 15 countries on five continents. Almost 17,000 individuals aged 20 to 70 took part in the survey.

Participants were asked about their job situations, anxieties related to new technology, ability to adapt to change, and knowledge of financial planning and insurance. The study presents global and country-by-country findings.

"People of all ages are clearly very worried about how to maintain their living standards when they retire. Whether you are 20 or 50 getting your retirement savings right is paramount. Coming at a time when the way we work is rapidly changing, the study is a valuable contribution to the broader debate about jobs and financial security, and the policies that can help us to respond effectively," said Amanda Blanc, Zurich's Chief Executive Officer EMEA.

Key findings include:

— **Having too little saved for a comfortable retirement is the top financial worry.** Across countries and even age groups, almost half of respondents said their top personal-finance concern was adequate retirement savings. This was far ahead of paying monthly bills, which was cited as the top concern by 27%.

— **Women are more vulnerable to changes affecting the working environment.** Women were significantly less likely (34% to 59% for men) to supervise others at work in all countries except Brazil, suggesting a lower status at work in terms of income and possibly even job security. Women were less positive about technological change and more worried about losing their jobs because of it. For whatever reason – possibly caring responsibilities, or a lack of support or skills – women appear more risk-averse: less willing to go freelance or move abroad for job opportunities, for example. Women were also less knowledgeable about insurance products that provide income protection and less likely to have any, despite needing the protection more than men.

— **Millennials show strong signs of financial conservatism.** Interestingly, the millennials were as likely as their older counterparts to save part of their income in 2018, with 63% saying they were able to do so. About a third of them (32%) reported that retirement is their top worry – and this concern was a very close second to the much shorter-term problem of paying their monthly bills (34%). Both ownership and knowledge of insurance by millennials are generally in line with those of their older counterparts.

— **Job instability is as likely to be voluntary as involuntary.** A fifth of the respondents think they are likely to lose their job in the next year. Interestingly, however, an even greater proportion (27%) said they had plans to leave their job voluntarily within the same period of time. Of these, most appeared to be preparing to become freelancers. When it came to other career opportunities, similar numbers said they would be willing to move abroad for a job.

Further information

The study is part of a major three-year research program with Zurich and the University of Oxford (launched in November 2018) exploring ways helping to ensure that more workers are provided with flexible protection and financial support in an increasingly fragmented labor market.

This publication shows the findings of a large online survey of the working-age population in 15 countries: Australia, Brazil, Germany, Hong Kong, Ireland, Italy, Japan, Malaysia, Mexico, Romania, Spain, Switzerland, the UAE, the UK and the U.S.

Key milestones for the research program include:

- In October 2019, there will be a more detailed and in-depth study of the issues present headlined in this global overview and the country specific commentaries. This will include key insights as to how individuals might respond and also how public and private organizations play their role in sustaining long-term welfare.

- Understanding the role of companies in the changing world of work is important. Therefore, in 2020 Zurich and the University of Oxford will seek to better understand the issues from the perspectives of employers in a multi-country survey on policies and practices and how country specific circumstances may frame these.
- Following that, Zurich and the University of Oxford will publish a series of recommendations to improve financial protection for individuals – including those in non-traditional employment. Recommendations will be directed towards governments, employers, insurers and other financial institutions and intermediaries, as well as individuals and households.

Zurich Insurance Group (**Zurich**) is a leading multi-line insurer that serves its customers in global and local markets. With about 54,000 employees, it provides a wide range of property and casualty, and life insurance products and services in more than 210 countries and territories. Zurich's customers include individuals, small businesses, and mid-sized and large companies, as well as multinational corporations. The Group is headquartered in Zurich, Switzerland, where it was founded in 1872. The holding company, Zurich Insurance Group Ltd (ZURN), is listed on the SIX Swiss Exchange and has a level I American Depositary Receipt (ZURVY) program, which is traded over-the-counter on OTCQX. Further information about Zurich is available at www.zurich.com.

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