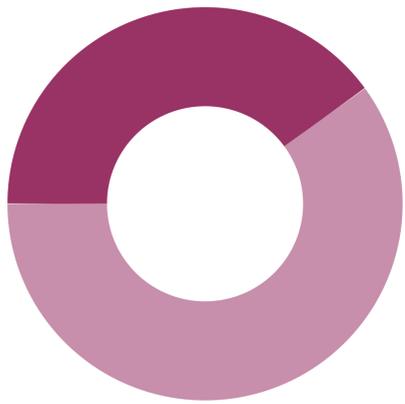


# The impact of the introduction of automatic enrolment on future generations



Millennials make up around 40% of the target population for automatic enrolment.

2011/12



Participation in workplace pensions has doubled for 22-29 year olds due to the introduction of automatic enrolment.

2015/16



A median earning male aged 22 in 2017 who saves at 8% contributions will have a pension fund 27% higher than his fund under the AE minimum.



A high earning female earning at the 90th percentile and aged 27 in 2017 has a median pension pot of £158,100 under the AE minimum.

If she contributes 16% to her pension, her median pension pot would be £426,200.



If the triple lock remains up to the retirement of millennials, it has a larger proportional impact on lower earners. Removing the triple lock could reduce retirement income by 5%.

Removing the lower earnings limit and automatically enrolling at age 18 means a median earner could achieve a pension pot of £146,200, 32% higher than under the current policy.

