



★★ EMBARGOED UNTIL 00:01HRS ON SATURDAY 19 JUNE 2010 ★★

Halifax 50 Years of Savings report

In the current economic climate, financial planning and savings are at the forefront of everyone's minds. For the first time ever, Halifax is publishing a comprehensive report that covers a full 50 years and examines the changing face of the UK savings market.

The analysis starts at the end of the 1950s, which was a period of significant social change. Many of the restrictions placed on households during World War II, such as rationing, were removed at that time. The report goes on to examine the impact of social trends on the savings market over the second half of the 21st century and to predict key trends for the future.

Martin Ellis, housing and savings economist at Halifax, said: "This new report provides a wealth of insights into the changing face of savings. Both the reasons for saving and the way in which we saved over the last 50 years are examined in depth. It should come as no surprise that people are far more focused on saving during times of economic uncertainty and our report examines the reasons behind this."

"The report reveals that households across the UK are saving more than ever before. The total value of savings and investments held have quadrupled in real terms over the period examined. On average savings and investment values per household have more than doubled. The report notes, however, that there are considerable variations in the value of savings held by different households with a large proportion having little or no savings at all."

The report delves into the history of savings. In 1959 for example, most savers put their money into savers' clubs, such as Christmas clubs, which earned no interest. On average, savers put aside five shillings and 4 pence (approx 27p) a week, equivalent to 1.5% of their total weekly expenditure.

This contrasts starkly with the more sophisticated 'noughties' decade where the research reveals the rising popularity of ISAs. Since their introduction in April 1999 the number of ISAs has risen by 53% to 14.2 million in 2008/09.

Fifty years ago, men contributed most to household savings. Today the rise of single person households (from 19% in 1971 to 33% in 2009) has led to greater independence when making savings decisions.

Looking to the future, Halifax predicts the heightened focus on financial security will drive a rise in the proportion of income saved by households in the short term. Longer term an ageing population is expected to put more aside as they plan for their retirement.

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A hard copy and a PDF of the [Halifax 50 Years of Savings report](#) are available. For further information please contact:

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Editors' Notes:

- This research has been compiled by analysing statistics from the Office for National Statistics (ONS), Communities and Local Government (CLG) department, Bank of England, Moneyfacts, Halifax Savings database, Birmingham Midshires and Datastream.
- The background to the changing savings behaviour and social trend was sourced from '50 Years of Savings, Yesterday, Today and Tomorrow', a research report for National Savings and Investments (July 2007).