

## RETIREMENT IN AMERICA

### Retirement Age

While many current workers are planning to retire “early,” workers in general plan to work longer than current retirees say they actually worked. Thirty-six percent of current retirees retired earlier than planned. Based on past surveys, this is mostly due to negative reasons beyond their control (e.g., health problems or changes at their company). Workers’ *expected* age of retirement and retirees’ *actual* retirement age:

	Workers	Retirees
Under Age 55	9%	14%
Age 55–59	13	19
Age 60	12	6
Age 61–64	10	31
Age 65	28	10
Age 66 or older	19	13

Many workers are unaware of when they will be eligible for full Social Security retirement benefits. The normal retirement age is currently rising from 65 to 67. Therefore, many workers may be making retirement plans without correct knowledge of what Social Security will provide them, and when. When workers think they will be eligible for full Social Security benefits by expected age of retirement:

	Expected Age of Retirement				
	Total	Age < 60	Age 60–64	Age 65	Age 66 +
4 or more years <i>earlier</i> than actual eligibility age	18%	31%	19%	16%	4%
1–3 years <i>earlier</i> than actual eligibility age	38	35	42	45	32
Correct	18	8	18	19	29
<i>Later</i> than actual eligibility age	6	3	4	4	17
Don't know	17	17	15	16	15

### Work After Retiring?

- Sixty-seven percent of workers expect to work for pay after retiring.
- In 2000, 25 percent of retirees say they have worked since they retired (4 percent full time and 22 percent part time).

Major reasons for working in retirement cited by retirees:

	Retirees
Enjoy work and want to stay involved	75%
To have money to buy extras	30
To keep health insurance or other benefits	25
To have money to make ends meet	21
To try a different career	14
To help support children or other household members	9

### How Will I Pay for Retirement?

Most important sources of retirement income (*expected* sources for workers and *actual* sources for retirees):

	Workers	Retirees
Personal savings	53%	20%
Employer-funded plans	19	29
Social Security	11	38
Employment	7	2
Sale of home or business	4	3
Other government programs	3	3
Support from children/family	< 1	0

### Personal Finances in Retirement

- Ninety percent of retirees report that they (and their spouse) always or usually make saving, investing, and money management decisions themselves as opposed to letting someone else manage them.
- Among these, 28 percent report that other people assist them in making these decisions (most often a financial planner or other financial professional, but sometimes a son and/or daughter).

Source: 2000 Retirement Confidence Survey.