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FACT SHEET

L-1007

WHY PLAN FOR RETIREMENT?

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More people are entering into retirement than ever before. This trend is expected to last well past the year 2000. The present social order seems to decree that retirement come at 65 years of age. In many instances, the age is reduced to 62, 55 or lower.

Some people dread retirement; others look forward to it. The famous quote, "The older a person is the same he is as he always was, only more so!" says much about attitude and what you can expect of yourself in retirement. Going into retirement with dread may be overcome as planning proceeds. Here are a few things one should know about retirement.

- Retirement is going to last a long time. The average man 65 years of age can expect to live to be about 79. The average woman of 65 can plan for at least 16 additional years.
- Retiring from your job does not mean retiring from life. One should retire *to* something!
- It should be a challenge. It is a new phase or era of life, different from the others, but just as vital.
- Retirement must be more than "going fishing" all the time—or any other single activity which could become boresome.
- It can be a time of opportunity, a period of learning new ideas and things to do.
- Happy retirement doesn't just happen; it requires planning!

How can you make sure that life will be secure during retirement? There are no ready-made answers. Retirees will have to decide how and where to live. A look ahead most certainly will help provide a happy retirement.

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Retirees should know what to expect in retirement. There will be decisions to make about basic and other needs and what can be done to prevent problems. To be effective, persons should start early to plan for retirement. The best time to prepare for the later years is childhood. The next best time is in the 40's. Decisions must come much faster if the planning starts on retirement day.

What are some of the problems that older persons face?

1. Negative attitude toward retirement.
2. Failure to understand the natural process of aging.
3. Living alone, becoming lonely or bored.
4. Poor health: Medical science tells us that no disease results just from age. A healthy older person performs the proper care and conduct for good health. It does not just happen!
5. Inadequate housing.
6. Inadequate income: adjusting to lower income.
7. Continuing education: failure to have new interests and wanting to learn.
8. Too much time with nothing to do.
9. Finding a desirable role in life and adjusting to it, losing the prestige connected with previous position and maintaining independence and acceptance in the community.

Planning is a simple job that is done in the course of day-to-day living. You plan everything else, why not plan retirement! Planning is not a cure-all but it does provide an orderly system for considering what you want in retirement and being able to adjust to it.

In order to find out how much planning needs to be done, a check list might help you appraise your position. Be very honest with yourself!

| | Yes | No |
|---|-------|-------|
| Do you look forward to retirement? | _____ | _____ |
| Do you know where you want to live when you retire? | _____ | _____ |
| Do you know what your monthly income will be? | _____ | _____ |
| Social Security? | _____ | _____ |
| Pension? | _____ | _____ |
| Annuities? | _____ | _____ |
| Investments? | _____ | _____ |
| Other? | _____ | _____ |
| Have you put away some money for retirement? | _____ | _____ |
| Do you know how you will use your free time? | _____ | _____ |
| Do you need legal help? | _____ | _____ |

Checking into these questions should start the process of planning. No doubt some of the "yes" answers were based on decisions that were made sometime back. It takes time to answer some of the questions. What other decisions must you consider? Is it a part-time job? What else will you do? Will you have your own home? An apartment? Live with someone?

Reliable sources list at least five basic needs in retirement.

Health—physical and mental

Housing—where and what type, cost

Income—the amount per month

Legal—choosing a lawyer, contracts, buying and selling real estate, leasing land, wills, estate planning, trusts, records and late marriages

Leisure—knowing what you will do. (10 years retirement = 21 years working at 40 hours a week.)

You are on your way when you have made decisions concerning your basic needs. Perhaps other questions will arise that you will have to find answers for. Continuous planning may be necessary until complete adjustment and satisfactory living has been attained.

So, on with your planning! Retirement can be wonderful! It can be the most rewarding time of your life. Robert Browning knew it when he wrote: "Grow along with me! The best is yet to be."

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