

# It's a life's work

## As more near 65, fewer able to retire

By GREGORY BRESIGER

For many near-retirement-age New Yorkers, there will no escape from the dreaded 7:10 to Penn Station or the wretched rush hour E train or the egregious LIE.

In fact, retirement is a dream that will take many more years for them to achieve. Or maybe some of these people will die at work.

That's what millions more Americans are saying these days, according to recent studies.

"The general trend shows that older Americans are expecting to retire later," says Sudipto Banerjee, the author of a recent Employee Benefit Research Institute (EBRI) report, "Retirement Expectations of Older Americans Between 2006 and 2010."

The study also shows that fewer people are retiring at age 62. In 2006, EBRI reported that 7.2 percent of respondents said they planned to quit at 62, but by 2010 the number had dropped to 4.9 percent. Those retiring at age 65 had also gone down in the same four-year period, dropping from 16.1 percent to 14.6 percent, EBRI said.

"But the most striking finding is that nearly 20 percent of the sample study expect never to stop working, and more than 15 percent of the sample don't know when they're going to retire," adds Banerjee, a research associate with EBRI in Washington, DC.

The recession and the market meltdown of 2008 have increased the numbers of those worried about retirement. In 2006, EBRI found, 11.2 percent of workers age 50 or over said they would wait until age 70 to retire. By last year, EBRI reports, that number had risen to 14.8 percent.

The EBRI's findings on older workers and retirement underscore those of several other retirement studies. These studies have found much pessimism about and little preparation for retirement. For example, a Harris Interactive Poll found a third of respondents with no retirement savings.

The problem, explains retirement-planning author Julia Valentine, has been developing for a generation.

"Modern retirement is riddled with uncertainty and is much riskier than it

was decades years ago, when there were many safeguards and veritable guarantees in place," Valentine explains.

Unfortunately, older workers, who have had access to 401(k)s since the 1980s, often failed to understand them and use them effectively. Often they contributed too little or put most of their money in cash or used a 401(k) to buy a car or some luxury item. Now, many older workers either aren't ready or are ignoring this responsibility to provide for themselves.

Some three-quarters of respondents to last year's Wells Fargo Retirement Fitness Survey found that the average American has about 7 percent of the retirement nest egg he needs.

The result: Many are changing their retirement plans.

"Today's pre-retirees say they will need to postpone their retirement 4.2 years on average, which would be the first time in history that the retirement age has significantly increased in America," according to a recent Harris Interactive survey.



Cloudy future

