

Reality Check: Retirement's Unmet Expectations and Fears

Between one-fifth and one-quarter of retirees have a retirement that has in some way fallen short of expectations. Most retirees are not having a negative experience; but, would current workers like 1 in 5 odds that their retirement will be financially troubled and/or disappointing?

Percentage of Retirees Whose Experience Has Been Worse Than Expected in Terms of:

	1996	1997	1998
Overall standard of living	13%	16%	20%
\$ for medical expenses	21	16	22
\$ for travel, leisure, etc	19	24	26
\$ to help kids/grandkids	—	—	27

Retirees Are Worried About Their Future

Sixty-six percent retired before age 65 and 43 percent retired earlier than planned. By comparison, 49 percent of those currently working expect to retire before age 65. Of those currently retired:

- 45 percent are not confident that they will have enough money to cover long term care, if needed.
- 29 percent are not confident they will have enough money to cover recreational, travel and entertainment pursuits.
- 22 percent are not confident they will have enough money to cover medical expenses.

Who Pays for Retirees' Retirement?

- 42 percent say Social Security is their most important source of income.
- 22 percent say money from employer, such as a pension or contributions to a retirement account, is most important.
- 19 percent say personal saving is most important.
- (Nothing else registers at a noteworthy level.)

Retirees Are Not Working for the Money

- 24 percent have worked since they retired (6 percent full time; 18 percent part time). Among today's workers, 61 percent expect they will work for pay after they retire.

Among retirees who have worked, money is not their primary objective:

Percentage citing as a major reason why—

- 56 percent enjoyed work and wanted to stay involved.
- 44 percent to have satisfying way to spend time.
- 34 percent money to buy extras.
- 28 percent to make ends meet.
- 12 percent to help support children or other household members.
- 11 percent to try different career.