



FOR MANY SENIORS, RETIREMENT IS STILL WORLDS AWAY

Retirement accounts have taken a beating from the latest market upheavals. Expenses are rising. Interest rates have been practically at zero since 2008. Many seniors are now asking themselves, "Will I ever be able to retire?"

A recent Wall Street Journal article paints a desperate picture of seniors who are eager to retire, but find themselves still working, or worse, job hunting.

This despairing situation is the result of many factors. Some workers who had found it necessary decades ago to tap into their retirement accounts, or stop their contributions, are now facing inadequate sums in those accounts. Also inadequate is the income from treasuries and certificates of deposit, with interest rates of the past four years barely hovering above zero. In fact, the Federal Reserve has stated that rates will likely stay "exceptionally low" through mid-2013.

And the irregular swings of the market have depleted 401(k)s, wiping out years of growth in a short time. The housing downturn has left homeowners with less home equity to tap, and a harder time selling—an important step for many workers who wish to downsize their homes as they transition to retirement.

For those who approach retirement age without any clear exit strategy from the working world, there are two main steps to take in order to make retirement possible: retire at a later date, and save more.

→ A QUICK LOOK

- More than three in five U.S. workers in their 50s and 60s plan on working past age 65
- 47% of U.S. workers who plan to work past age 65 are doing so because they will need the money or health benefits.
- The best advice for older workers—make yourself essential to your job, save aggressively, hold off on Social Security

HOLD ON TO THAT JOB

If enjoying a secure retirement means working longer, you must demonstrate that your age is an asset, rather than a liability. Stay up-to-date with any job-related technology and training. If the physical demands of the job—such as labor, late hours, or travel—impact job performance, discuss with your manager the possibility of switching to another position, and then demonstrate how you would be qualified for it. This proactive approach is far better than leaving it up to your manager to notice any poor performance and recommend a solution.

SAVE THE BEST FOR LAST

Continuing to save, earning interest, and delaying the date you take withdrawals will give your retirement accounts a powerful boost.

Your Social Security benefits also increase for every year you do not collect them between ages 62 and 70. An annual benefit of \$10,000 at age 62 could grow to about \$13,000 if you hold off until age 66, and to \$18,000 at age 70.

The original article, titled "For many, no retirement at all," analyzes information from a 2011 study by the Transamerica Center for Retirement Studies and was written by Rachel Louise Ensign of the Wall Street Journal. It was published in November 2011.