

# retire, who me?

Retirement used to represent a winding down at the end part of life. But for the boomers, the first generation in history that will reach age 80 in great numbers, it represents an opportunity to explore new directions. The definition of retirement is changing and means many things to different people.

For a start, many people don't actually plan to retire. Research conducted for Citibank in 2007<sup>1</sup> found that only 26 per cent of the over-55s surveyed intended to quit the workforce altogether when they reached retirement age.

Source 1: Citibank 2007 Retirement Index

## money and happiness

The subject of money tends to hog the limelight when it comes to retirement – how much is enough and how we are going to make it. Although few would argue in favour of financial hardship, a growing body of research shows that once our creature comfort needs are

met, money takes a back seat. Purposeful activity, good health and connectedness with family and friends it seems are the key ingredients for happiness in retirement.

## preparing for the good life

Work – love it or hate it – gives structure and purpose to our lives. For many, it gives a sense of identity and self worth, not to mention regular income.

We enjoy our weekends as a release from the regularity of work; but 20 or 30 years of an extended weekend is an awfully long time without purposeful activity. Researchers report that there's a honeymoon period of happiness following finishing work that lasts about six months. Once the novelty has worn off, depression can set in if we don't have something meaningful to do with our lives. Men are particularly vulnerable to depression once they leave the workforce.

So how well prepared are you for life when you leave fulltime employment? Do you have a good idea about how you'll be spending your days?

Here's a short list of some of your options:

- ~ Don't retire. Keep on working until the time feels right to wind down or like Rupert Murdoch just keep on going
- ~ Scale down to part time for a balance between work and leisure, and ease into retirement. Various financial strategies can help you to do this
- ~ Start your own small business
- ~ Write a book
- ~ Volunteer for a charity that supports a cause important to you
- ~ Support projects in your local community or run for the local council
- ~ Pursue all the interests you've never had time for, or discover new interests

- ~ Get involved in a sports club – as a player or coach
- ~ Travel
- ~ Live overseas for an extended period
- ~ Get more involved with grandchildren, family and friends
- ~ If you have a young family get more involved in their school and other activities.

You'll have a happier retirement if you plan for it now. This could be as simple as gathering information and keeping it in a file, or seeing a lifestyle coach specialising in retirement.

**Talk to your adviser about how you see your life headed. For more opportunities and how to get involved in some of these activities visit [www.ipac.com.au/lifedirections](http://www.ipac.com.au/lifedirections).**

## under the spotlight

Economists, who used to only worry about your money, are now very concerned about your happiness too. Once the exclusive terrain of psychology and psychiatry, happiness, and how to measure it, is a growing branch of economics, and they have you, a member of the boomer generation, and your retirement in their sights.

Why the interest? In Australia, boomers account for 30% of the population – 6 million people all eligible to retire over the next 10 or 15 years. This has major implications for Australia and countries all over the developed world; a mass exodus will leave a black hole in terms of skills and expertise.

