

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

HUMAN RESOURCES & PAYROLL

Is 70 the New Retirement Age?

Is 70 becoming the new retirement age? According to a recent CareerBuilder survey, 30 percent of U.S. workers ages 60 and older plan to retire at age 70 or older. Another 20 percent don't believe they will ever be able to retire.

Isaac M. O'Bannon • May. 22, 2017

Is 70 becoming the new retirement age? According to a recent CareerBuilder survey, 30 percent of U.S. workers ages 60 and older plan to retire at age 70 or older. Another 20 percent don't believe they will ever be able to retire.

While delaying retirement can be fueled by a number of reasons, financial motivations typically top the list as mature workers work to ensure they have a large enough nest egg. But, just how much they'll need in the bank to enjoy their golden years remains a mystery or moving target for some. One third of workers ages 60+ (34 percent) say they aren't sure how much they'll need to save in order to retire.

The nationwide survey was conducted by Harris Poll on behalf of CareerBuilder from February 17 to March 10, 2017 among a representative sample of 3,215 full-time, private sector workers across industries in the U.S., of which 556 workers are ages 60+.

“Faced with the expectations of living healthier for longer, older adults may opt to remain in the workforce for longer and defer savings, pensions, and Social Security for older age,” said Rosemary Haefner, chief human resources officer for CareerBuilder. “This increased workforce participation for older adults has

implications for retirement policy, health care financing, Social Security and the behavior of employers and employees alike.”

Asked how much money they think they’ll need to save in order to retire, 42 percent of U.S. workers ages 60+ believe they will need at least \$500,000. A quarter (24 percent) believe they’ll need less than \$500,000.

- Less than \$500,000: 24 percent
- \$500,000 to less than \$1 million: 25 percent
- \$1 million to less than \$2 million: 13 percent
- \$2 million to less than \$3 million: 3 percent
- \$3 million or more: 1 percent

Are mature employees financially prepared to leave the workforce?

When asked if they’re currently contributing to retirement accounts, more than 1 in 4 (26 percent) workers 55+ said they do not participate in a 401(k), IRA or other retirement plan.

Three out of four workers ages 55+ (74 percent) don’t earn their desired salary, and they’re taking steps to change that. Eight percent took on a second job in 2016, and 12 percent plan to change jobs this year.

The survey was conducted online within the U.S. by Harris Poll on behalf of CareerBuilder among 3,215 employees ages 18 and over (employed full-time, not self-employed, non-government) between February 17 to March 10, 2017, of which 556 workers are ages 60+. With a pure probability sample of 556, one could say with a 95 percent probability that the overall results have a sampling error of +/- 4.2 percentage points, respectively.

Human Resources & Payroll • Payroll • Product & Service Guide • Year in the Life: Payroll • Article • employee retirement • retired • Retirees • retirement • Retirement Accounts • retirement contributions • retirement income • retirement living • Retirement Planning • Retirement Plans • retirement savings

CPAPA is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

