

# growing in confidence

A fresh snapshot of the financial position of Australia's over-55s has been taken by a new study, Smart Money Editor Anthony Keane reports.



**new world:** Growing numbers of over-55s are confident their retirement nest egg will last the distance.

The latest Citibank Retirement Index found that 76 per cent of people in that age group were financially confident, up from 68 per cent a year ago.

It says the recent superannuation reforms could be a key to the improved confidence, with the 55 to 64 age bracket having the biggest rise.

But the gender gap remains wide, with men receiving an average monthly income of \$2455 in retirement, much higher than the \$1653 women receive. The pension is the primary source of income for 56 per cent of women, compared with only 38 per cent of men.

"A typically uninterrupted career path provides men the option to start saving for retirement earlier - and over a longer career path," the report says.

"Combined with higher average lifetime earnings, this tends to leave men ahead in retirement."

However, men often wrestle to make peace

with retirement. "In contemporary culture, we are what we do. A pay cheque is a reminder of our value. And for men in particular, making the transition to retirement can call for major adjustments to their identity," the report says.

Sociologist Richard Evans says workplace status can be very important to men's sense of who they are.

"Part-time positions are likely to be less influential," he says.

"Men can find it hard to work part-time and still enjoy the status they may have formerly enjoyed, which can impact significantly on their self esteem."

Among other findings:

**MORE** than two-thirds of semi-retired people want to do something for the community.

**PEOPLE** appear to be delaying plans to fully retire, with zero respondents planning to retire between age 55 and 59, down from 11 per cent a year ago.

**SENIORS** are more concerned about losing their looks (35 per cent) than having insufficient cash (25 per cent).

The study also found that being part of a couple was a big bonus in retirement.

Almost 60 per cent of singles rely on the age pension compared with 39 per cent of couples, and 41 per cent of couples say super is their main source of income compared with just 25 per cent of singles.

Adelaide financial strategist Theo Marinis says singles are often "behind the eight-ball" in both the lead-up to retirement and during retirement.

"If you are a couple, the cost of running a house doesn't double so you are sharing the load with your partner," he says.

Household costs, such as power, water, heating and car expenses, often change little and are much easier to afford when there are two incomes paying for them, Mr Marinis says.

"Even with Centrelink you are getting significantly more pension between you, although the single pension is more than half the pension a couple receives," he says.

"A person on their own is at a disadvantage financially." ■