

Are you ready for mini-retirement?

ANTHONY KEANE

RETIRING later in life is being rejected by a rising number of people who are choosing to avoid work much earlier.

Mini-retirements – also called sabbaticals – are measured in months rather than a two-week block of annual leave, and are being made easier by more flexible workplaces.

They require two key components: a boss or job that allows it, and your ability to save enough money to enjoy your extended time off.

Finance author and educator Lacey Filipich said some large employers were offering several months' leave each year without pay, while others let people buy extra leave or take it at half pay.

Ms Filipich said the traditional gap year spent backpacking around the world was just one option for a mini-retirement.

"You could choose something as simple as staying home for a few months, or as complex as relocating to another country for a year," she said.

"I've tried both ends of that spectrum. They both had the desired effect: I got to unwind completely."

In her new book, *Money School*, Ms Filipich writes that people considering a mini-retirement should:

- **List** costs they can reduce, or extra potential income, such as renting out their home.
- **Map** out a rough plan and expenses.
- **Work** out how much they want to save, with a buffer if they don't have a job to come back to.
- **Set** a date.

"I found freelance consulting was best for taking regular mini-retirements, which is how I ended up working six months a year for three years, always working winter so I could have summer off," Ms Filipich said.

Financial strategist Theo Marinis said he was not seeing many mini-retirements, but more people were taking extended maternity and paternity leave, and others winding down their working hours using transition to retirement strategies.

"There's not many people with the financial capacity to stop working early, whether it's in our 40s, 50s or 60s," Mr Marinis said.

"Times are pretty tough and people are worried if their employer will take them back."

The transition to retirement rules let people draw down part of their super after age 57 to top up household income.

"You can scale back to two or three days a week and use your super to semi-retire early," Mr Marinis said.

"The attraction of (total) retirement sounds good until you do it," he said. "You can start going stir crazy."

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