

## Does Retiring Turn You Into an “old” Person?



**Capital Partners**

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The concept of retirement has an image problem – it's something that “old” people do when they have nothing left to contribute to the workforce. When you feel young and active, you don't want to be labelled as “old” – and you might also feel a financial uncertainty about stepping away from paid employment. However, when you look at how the world has changed since retirement was first created, you can see that our

## definition of retirement should change too.

Confronting the age crisis of retirement meaning “old”.

### The origins of retirement

Until the 1880s, there was no concept of retirement – people worked until the day they died, and there was limited social security support for anyone who could not work. Then German chancellor [Otto von Bismark](#) introduced the radical idea of a retirement system for citizens “who are disabled from work by age and invalidity”. The age for retirement was originally set at 70, which also happened to be the natural life expectancy at the time. Bismark’s goal was to keep German business and production at maximum efficiency, so an age pension for the few people who managed to live beyond 70 was a small investment in return for removing slow elderly workers. The retirement age was later adjusted to 65, and as other countries adopted the German policy, this was established as the “correct” age for retirement. The origins of retirement are discussed in the first episode of the [Capital Partners retirement podcast](#).

### Retirement today

More than a century later, people are living longer healthier lives. Removing older members of the workforce is no longer such a great investment from a business perspective, and healthy active people are wondering how they will occupy their time and stay financially comfortable once they reach retirement age. People have the freedom to retire when they feel they’ve accumulated enough financial security to move away from full-time work. Now we are living longer and staying healthier, the established retirement age of 65 can herald a rich new beginning of freedom and adventure.

Yet there is still a lurking perception that retirement is the end of everything. People reaching the traditional retirement age may dread the upcoming transition because they still have a great deal to give in the workforce... or because they simply don’t know how to live a fulfilling life beyond the workforce.

### Choose the right work balance for you

Author [Barry LaValley](#) says that the traditional retirement stage can be seen as an opportunity “to discover what you really love to do then find a way to build your future around it... As you make your plans for the future, consider the role that work could play in your longevity, life fulfilment and your activity level.” If you don’t want to retire completely – either for financial reasons or because you still thrive on being in the workforce – you have the options of remaining in full-time employment, working part-time or becoming a consultant. Self-employment is a popular option for older Australians, because they can harness their talents productively and choose their own working conditions.

### Make a bucket list

Think of all the experiences you’ve wanted to try if only you’d had the time... think of the places you’ve wanted to visit, and the friends you most appreciate. This is your time to explore all those pleasures so you continue learning about the world and making fantastic memories. Write up a list of all the things you have ever wanted to do, and see how you go trying to achieve them!

Global retirement expert, Barry LaValley is a guest speaker on the Capital Partners podcast, Talking

About Retirement. To hear each episode of the podcast, [listen here.](#)



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