

# Importance of retirement planning



**Retirement**

**defined**

# Retirement

- Refers to the period in life when an individual stops working full-time
- **and** relies on savings, investments, pensions, and other financial resources to support their living expenses
- PH mandatory retirement age is 65

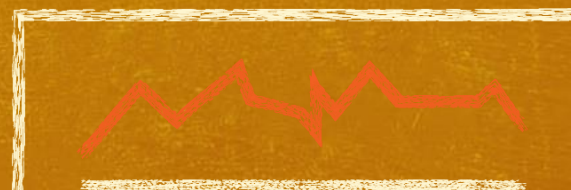
# Aspects of retirement

- Accumulation: saving and investing money for retirement
- Distribution: retiree starts withdrawing from retirement savings or investments
- Financial planning: estimating future expenses and managing savings/investments

# Aspects of retirement

- Social security and pensions – SSS/GSIS; employer or private pension plans
- Risk management: market volatility, inflation and health issues
- Estate planning: arrangements in distributing one's assets
- Lifestyle considerations

# Kalagayan ng senior citizens



# Kalagayan ng senior citizens

- 9.2M (2020); 4.5M (2000)
- 8.5% of the population (2020)  
up from 5.9% (2000)
- Rise in number due to better  
health and economic conditions  
(PSA)

# Senior citizens' pension

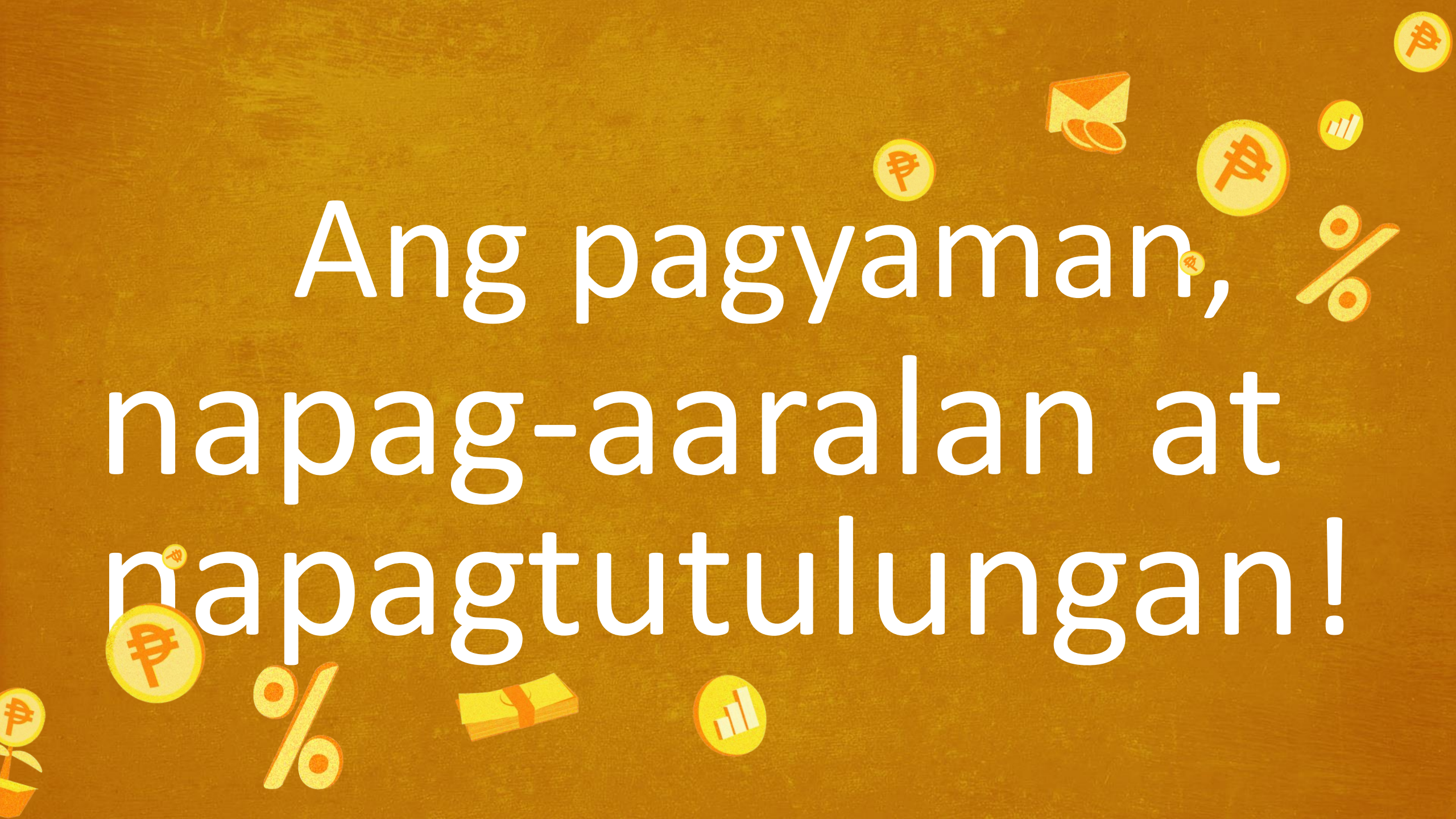
- 55% do not have pension – automatically labeled as persons living in poverty
- 23% pension from private sector
- 6% pension from government sector

16% have PhP500/mo social

# House bill 141

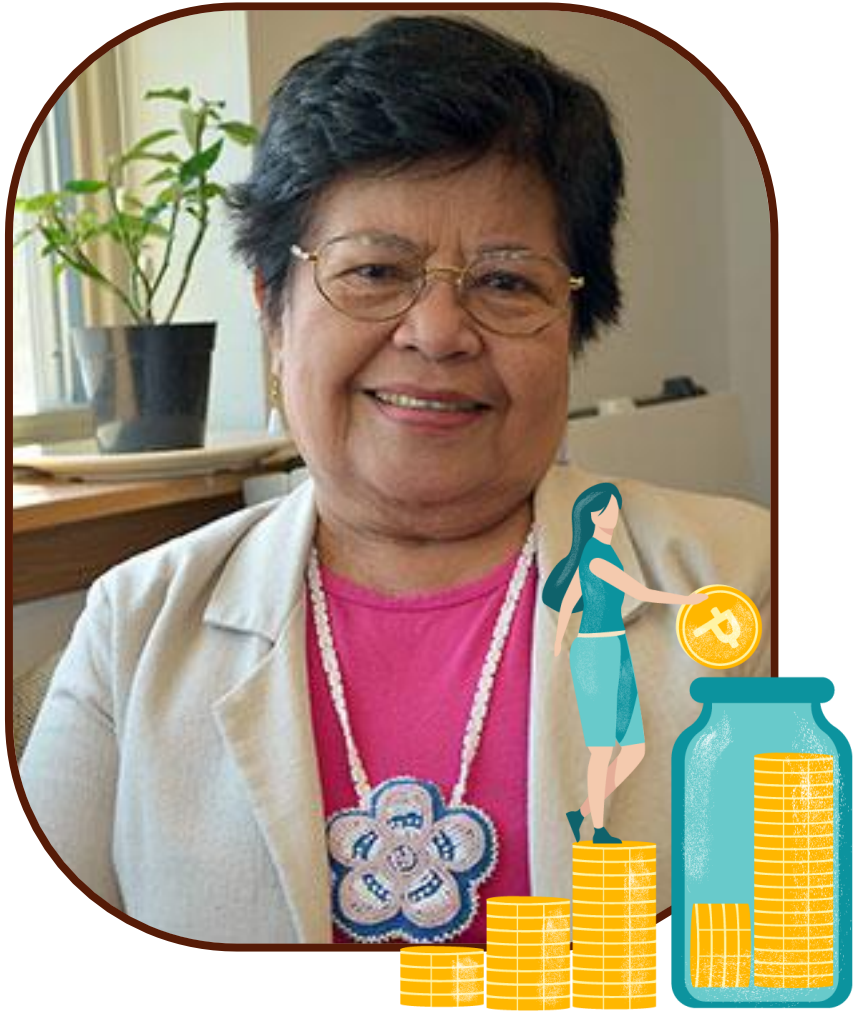
- Lingap para kay lolo and lola act
- Sen. Risa Hontiveros
- From PhP500 to PhP1,500 monthly social pension

Ang pagyaman,  
napag-aaralan at  
napagtutulungan!





# 3 Kinds of Retirement



# 3 Kinds of retirement

- Nominal
- Financial
- Meaningful and productive

# Nominally retired

- Age set by government for retirement – 60 years old
- Not concerned about well-being; not by choice



# Financially retired

- Enough passive income that covers expenses to last his lifetime
- No need to work for money



# Retirement myths

- About age
- Done later in life
- Children are retirement plan
- Start a business
- All retirees need insurance



# Meaningful and productive

- Not about age
- Enough passive income that covers expenses
- Choose to do meaningful work



# Regrets or Common Mistakes of Retirees

- Did not save enough
- Relied too much on SSS/GSIS
- Did not pay debt before retiring



**Importance of**

**Retirement planning**

# Retirement planning

- Ensures financial security and stability while living a happy and fulfilled life
- Key reasons why retirement planning is important:
  - Independence
  - Longevity risk
  - Healthcare costs
  - Family dynamics
  - Inflation
  - Legacy
  - Peace of mind
  - Early retirement

# ANG PAGYAMAN, NAPAG-AARALAN AT NAPAGTUTULUNGAN

