

**Retiring Early**

You can retire at any age, but whether you can afford to is another question. According to the [CSO](http://www.cso.ie/en/releasesandpublications/er/q-penp/qnhsmoduleonpensionsq42015/), 68% of workers expect to retire aged between 60 and 69 years, while one in twelve (8%) have no intention of ever retiring. The number of workers who expect the State pension to be their main source of income has risen from also.

Governments around Europe are looking for a long-term solution to the problems facing State pension provision. And the Irish government is no exception. It has already taken measures to begin addressing the issue by increasing the age at which the State pension is paid.

This means that anyone who is due to retire after 2028 will not qualify for the State pension until they are 68 years of age. So while you may hope to retire at 55, 60 or 65, a potentially significant part of your retirement income may not be paid until you reach 68. The question you need to ask yourself is, if you hope to retire at 55, 60 or 65, how are you going to provide for yourself in those intervening years?

How much you need to retire aged 55, 60 and 65 really depends on the lifestyle you would like to have in retirement, while also considering that due to better health for an ageing population, life expectancy is increasing. By 2046, men can expect to live until they are 85 years of age, and for women, their life expectancy will be on average 89 years of age\*.

How much should I save for my pension?

For those [planning for retirement](https://www.zurich.ie/pensions-retirement/preparing-for-retirement/) in an ideal world they should be saving as much as possible and therefore a better question to ask yourself is how much can I afford to put towards my pension fund each month?

Generally, by the time you reach retirement your mortgage will be paid and your children will have moved out of home.

However, there are other expenses that will still have to be paid. If, for example, you haven't bought your own home, then rent will still need to be paid. Any health insurance scheme you had through your employer will cease when you stop working. Equally, now that you have more time to do the things you like to do, you will need to have enough money to fund your lifestyle in retirement.

If relying on the State pension, a person must be 66 years of age in order to qualify\*\*. Therefore, if you are planning on surviving on the State pension alone, early retirement is not an option. It is also important to note that the age of State retirement is set to increase over the next few decades. By 2021, the retirement age will be 67 and by 2028 it will be 68 years of age.

So if you are [planning on retiring](https://www.zurich.ie/pensions-retirement/preparing-for-retirement/) in your 50s or early 60s, you will need a substantial pension pot to sustain you over the next 20-30 years.

Planning for retirement is an important step to take, and it's never too soon or too late to start planning your pension which will help you to have the lifestyle and financial stability you desire in your retirement.

We can help you decide how much to contribute towards your pension and show you the levels of tax relief you may be eligible for on your contributions. Find out [how much you could save.](https://www.zurich.ie/pensions-retirement/calculators/pension-calculator/)

Not sure what you're spending your money on and want to see how much you could save for your retirement?

\* Source: CSO Population and Labour Force Projections 2016-2046.

\*\* Source: Department of Social Protection.