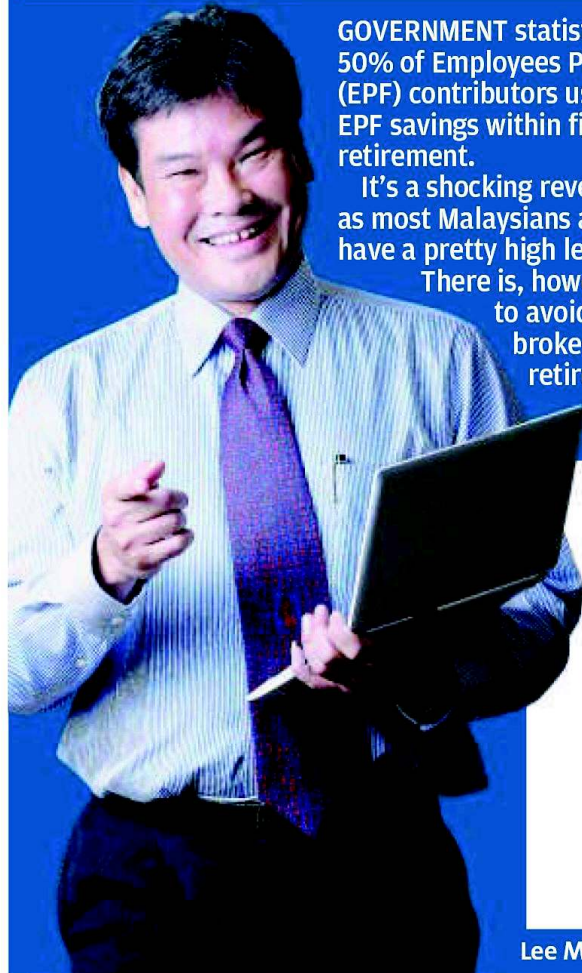


Retired and dead broke

GOVERNMENT statistics show that 50% of Employees Provident Fund (EPF) contributors use up all their EPF savings within five years of retirement.

It's a shocking revelation, more so as most Malaysians are considered to have a pretty high level of savings.

There is, however, a solution to avoid becoming dead broke after retirement, LEE MUN WAI writes.



Lee Mun Wai is vice president of Success Concepts Life Planners



Illustration by HAFIDZ MAHPAR

"They relaxed the retirement age policy a few years ago. Now all the staff are older than most of the home's residents!"

A DECADE ago you could work hard and then retire comfortably and spend your "golden years" enjoying the final years of your life. That enjoyment for some is traveling the world, spending time doing some fishing or maybe spoiling grandchildren. But now, by the time most Malaysians reach their "golden years", they are either dead, dead broke or financially independent. Being financially independent is rapidly becoming the exception and not the norm.

Can this possibly be correct? You might doubt me, but take a look around at how many people in their 50's, 60's

and even 70's are still working to this day. Some have already retired and too old to apply for high salaried positions and are just forced back into working to make ends meet. It is highly probable that most will now never be able to retire again!

Something has gone amiss – most people have not planned for their retirement until it is too late!

What is your fate? Is there a solution to this dilemma? The solution lies in prudent financial planning, ensuring that you put your money to work early so that when you retire, you have your money

working hard for you. The earlier you get your money working for you, the better your chances of being able to enjoy your golden years. Financial planning is not about becoming rich, but rather, it is avoiding becoming dead broke.

I certainly do not plan on being forced out of retirement due to lack of resources. I not only want to retire early but I want to actually have the money to live comfortably and do whatever my heart desires until my days run out. I know the only way to achieve this is to be financially independent. Our time is limited. So what are you waiting for?