

Most in N.J. not financially ready for retirement

By JANET FRANKSTON
Associated Press

NEWARK

Fewer than 20 percent of New Jersey workers say they are financially ready for retirement,

according to a poll released this weekend.

That's partly because people sense they're not prepared for decades of retirement, said Susan P. Ascher, president and CEO of the Roseland-based Ascher Group which conducted the poll.

"They're looking into the future and saying, I am going to live longer," she said. "Maybe this is not just for the next 10 or 15 years, maybe this is for the next 30 years."

Another reason is because pensions are disappearing or shrinking, she said.

Ascher couldn't quantify "financially ready" with a dollar figure, but said it means sufficient resources to maintain a style of living that allows retirees to travel, eat and "still have a nice life," she said.

Fairleigh Dickinson University's PublicMind Poll conducted the survey with the Ascher Group, interviewing a random sample of 600 New Jersey residents age 18 and older by telephone from Nov. 15 to 20. The sampling error margin is plus or minus 4 percentage points.

Of the respondents age 18 or older who work full- or part-time, 17 percent said they are ready for retirement.

For those 65 and older who are still working, 36.9 percent said they are not financially ready to retire. Of those 65 and older who have already retired, nearly one-third said they were not ready at

retirement.

Jane Margesson, a spokeswoman for AARP New Jersey, cited escalating property taxes and prescription drug costs as key factors preventing New Jerseyans from being able to save enough for retirement.

"We're paying more for prescription drugs than any other state," she said. "In fact it's as much as 2,173 percent more for the same prescription than the lowest-paying state. That's contributing to people not being able to save the way they should."

Nationally, people underestimate how much money they need for retirement, said Barbara O'Neill, a professor of financial management at Cook College of Rutgers University.

Retirees should have \$300,000 in the bank for every \$1,000 in monthly income they expect to draw, she said.

O'Neill said the easiest way to save is with an employer. But not everyone has that opportunity.

"People who work for small businesses are less likely to have retirement plans in place than (those who work for) a large corporation," she said.