



## **Seven Key Issues Stand between Baby Boomers and a Comfortable Retirement Lifestyle**

**"But What If I Live: The American Retirement Crisis" provides wake-up call for a generation of over-spent and under-saved Americans**

RISMEDIA, Aug. 22, 2006—Gregory Salsbury, Ph.D., believes that the label of "crisis" is not an overstatement when discussing the seriousness of America's retirement outlook. In his new book, **"But What If I Live: The American Retirement Crisis: A Retirement Guide for Baby Boomers,"** Dr. Salsbury explains that a confluence of forces - some fiscal and some psychological - are creating a "perfect storm" resulting in seven key issues that now stand between Boomers and their retirement goals.

"Retirement has undergone changes in concept, design, benefits and even availability," said Salsbury, executive vice president of Jackson National Life Distributors LLC, the distribution arm of Jackson National Life Insurance Company(R) (Jackson(SM)). "My profound worry is that the Boomers will be the first generation that will be worse off in retirement than the generation before."

Dr. Salsbury's seven key issues that Baby Boomers must address while planning for retirement include:

- 1. The Aging of America** - In the next 20 years, 43 million households will move into retirement. More than half of American couples age 65 and over can expect to have at least one spouse live until age 90 or more, which puts a significant strain on a fixed income retirement budget.
- 2. Disappearing Pensions** - Each year, more than 1,000 employers voluntarily shut down their pension plans, leaving a shrinking pool of employers paying into the federal retirement insurance program. The percentage of workers with a pension plan who have defined-benefit coverage has decreased from 80 percent in 1985 to 33 percent in 2003.
- 3. Social Insecurity** - The federal government currently owes Social Security over \$1.5 trillion. Without a tax increase or reduction in benefits, Social Security will continue toward bankruptcy. Meanwhile, more than two-thirds of retirees rely on Social Security for 50 percent of their income, and 33 percent use it for 90 percent of their income. Without Social Security, half of American retirees would live in poverty.
- 4. The Tax Axe** - For most American families, taxes are the single greatest monthly expense, accounting for 30 percent of their income. While many people think the good news about taxes is that they will only rise for the "rich", the reality is that if a household earned \$57,343 in 2005, it

would be in the top 25 percent of all tax-paying households in America.

**5. The Invisible Enemy** - Inflation is truly the invisible enemy of retirees' income, eating away at their purchasing power and deteriorating the purchasing power of their assets. If people need \$50,000 a year in today's dollars, they will need \$65,239 in 10 years, and \$101,640 in 25 years. These amounts will only maintain their standard of living, not increase it.

**6. The Healthcare Nightmare** - The real "gorilla in the closet" is healthcare, a problem with no proposed solution. The under-funding of Medicare dwarfs that of Social Security, and the Employee Benefits Research Institute estimates that even with Medicare, the average American may need almost \$300,000 in inflation-adjusted dollars to pay healthcare insurance premiums and out-of-pocket healthcare costs in retirement.

**7. Red, White & Broke** - Americans aren't saving for retirement. In 2004, America's savings rate hit its lowest point since the Great Depression and personal bankruptcies hit an all-time high. In spite of these trends, the spending continues.

"It's harder to get ahead and stay ahead today," continued Salsbury. "It costs more money and more sweat equity. Every Boomer needs to anticipate and address the seven key issues standing between them and the retirement they envision, and it's my hope that 'But What If I Live' will give them a good game plan."

"But What If I Live" is now available through The National Underwriter Company, a unit of Highline Media LLC, one of the leading publishers of financial services products and information. Readers interested in purchasing a copy of "But What If I Live" can visit [www.ButWhatIfILive.com](http://www.ButWhatIfILive.com).

"We are proud to partner with Dr. Salsbury and Jackson to bring this very important and often-overlooked information to those who need it most: financial service professionals and consumers," said Deborah Miner, JD, CLU, ChFC, editorial director of Tax and Financial Planning at the National Underwriter Company. "As a publisher, we value this new partnership, as it creates the ability to share information about the retirement crisis to a wide audience."

All of Dr. Salsbury's proceeds from the sale of "But What If I Live" will be donated to Junior Achievement through the Jackson National Community Fund. Reporters and segment producers interested in speaking with Dr. Salsbury on the American Retirement Crisis can contact Andrew Silver, public relations director for Jackson, at 303-224-7542 or [Andrew.silver@jnli.com](mailto:Andrew.silver@jnli.com).