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## The extraordinary happiness of retirees

An overwhelming majority (93 percent) of retirees recently surveyed say their life is as good or better than before retirement. That's one result reported in a new study from Merrill Lynch titled "Leisure in Retirement: Beyond the Bucket List."

The survey found most retirees are happy to be free from the daily grind, the pressure of juggling family and work, alarm clocks, deadlines and never-ending emails. Nine out of ten (92 percent) say retirement gives them the freedom and flexibility to do whatever they want, and on their own terms.

In the coming years, millions of workaholic boomers will transition from being "time constrained" to "time affluent." The U.S. is the "no-vacation nation," with the average number of vacation days employees take per year (11) ranking far below the averages of other developed nations: 30 for Brazil, France and Germany; 25 for the U.K., Sweden and Italy; 22 for Norway; and 15 for Canada.

Furthermore, almost half (41 percent) of Americans don't even use all their vacation, and well over three-fourths (83 percent) of working-age Americans say they do some type of work-related activity while on vacation. No wonder U.S. retirees are so happy with their new-found freedom.

Life gets better with age

The Merrill Lynch report contains several measures of life satisfaction that improve with age:

How much fun retirees are having: On a 1 to 10 scale, people age 65 to 74 report the highest average at 7.3, comparing to 6 for those 35 to 44 and 45 to 54; and 6.4 for those 25 to 34 and 55 to 64.

How often retirees feel happy, relaxed and content: The response patterns are similar.

How often retirees feel anxious: The reported frequency is only 12 percent for people age 65 to 74, which is well below the frequencies reported by younger age groups: 37 percent for 25 to 34; 31 percent for 35 to 44; 25 percent for 45 to 54; and 19 percent for 55 to 64.

All in all, the Merrill Lynch study characterizes ages 61 to 75 as the retirement "freedom zone," when people enjoy the greatest balance of health, free time, fun and emotional well-being.

A quote from a focus group participant nicely sums up the changes in values as people age: "When I was younger, I was focused on having a nice house and a great car. Now that I'm older, I realize it's about the experiences in life -- not the things -- that matter most." The Merrill Lynch report contains various statistics that support the prevalence of these values.

#### The new social security: Relations

Many workers experience their social connections through work, and retirement can disrupt those ties and friendships. Needing social connection, more people (61 percent) report that it's more important who they spend their leisure time with, compared to only 39 percent who report that the leisure activity itself is most important.

The Merrill Lynch study documents research findings that correlate a robust social life with good health, longevity, lower risk of heart disease and better cognitive health in later life. These are all good reasons older workers should place just as much importance in planning for their social connections in retirement as they might when planning for their financial security.

#### Retirees are falling short in planning

Planning for leisure time is fairly uncommon: About half of all retirees make some plans for leisure in the coming year, and far fewer (less than one-fourth) plan leisure activities for the next five years. Two-thirds of those with a spouse or partner haven't discussed or agreed on how much leisure time to spend together in retirement, or how much money to spend on leisure activities. More than half (58 percent) report that they don't know how much money they'll need to pay for the leisure activities they'd like to pursue.

Retirees can improve the odds of a happy and fulfilling retirement by creating a game plan for their leisure time, deciding what they want to do, the experiences they want, who they want to spend time with and how much money it will cost. That's the best way for retirees to maintain their happiness and satisfaction throughout the rest of their lives.

Even with these challenges, the Merrill Lynch survey belies the image of older people as unhappy, depressed and frustrated, watching TV all day. It appears that most are quite satisfied with their lives and wouldn't have it any other way.

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