Question: I am in my fifties and considering leaving my current job and returning to the profession for which I originally trained. Is there some way you can think of to quantify the difference it will make by perhaps getting a larger wage but maybe not getting a pension in the new job?

Answer: If you put aside the uncertainties, I would suggest that you use one of the planning programs from **www.analyzenow.com** to see what would happen in different situations. Those programs always have a base case and an alternative case with direct comparisons of the outcomes. If you will get a pension from both the old employer and the new one, you should use the more comprehensive Pre and Post Retirement Planner. Otherwise, the Free Retirement Planner will likely satisfy your needs.

Over all of these years I have been doing helping people with retirement questions, the biggest problems come from those who have retired too early. I've finally concluded that if you don't have enough savings in order that you can delay the start of Social Security to at least your full-retirement-age (about 66) and still have funds for emergencies or some unknown large future expense, you are retiring too early. I find that most of these people end up trying to find at least part-time work after retiring--and many end up taking on minimum wage jobs. That's hard to do when you are older, but it's hard to find employers who are willing to take on older employees who may be there only a few years, lack physical stamina or who are not current in today's technical or legal environment.

Another challenge that early retirees have is paying for health insurance. Before age 65 when Medicare kicks in, a couple will pay about $30,000 a year for health insurance. After 65, they will pay an average of $10,500 per Fidelity. Fidelity says that a couple at age 65 will need $240,000 savings at 65 to cover premiums and a modest amount of uninsured medical costs but that amount does not cover long-term-care nor dental care. (Most dental, eye and ear health care costs are not covered either by Medicare nor most Medigap plans, nor are long-term-care costs which average about $250 per day.) I should note that my wife and I have spent more than $240,000 in health care costs already, but we have been retired longer than the life-expectancies used by Fidelity, and our income is higher than that assumed by Fidelity, so our Medicare premiums are higher than Fidelity used in its analysis.

All of us, retired or not, are facing more economic uncertainty than I have experienced in the last almost 60 years since I started working. The government debt is impossible to contain now without a simultaneous reduction in entitlements, increase in taxes and increased inflation. The latter is needed to make the debt look smaller and pay off with cheaper dollars. Private savings are miserably low and will be reflected in reduced consumption as a large part of the population goes into retirement in these next two decades. They won't have much to spend. Simultaneously the number of workers needed to support the government spending will be going down because of our low birth rate and aging population.

So, you are faced with a lot of uncertainty going for a new job as well as what will happen to the economy. If your pension is a typical fixed payment pension dependent on years of service and last wages, it will lose value every year as inflation eats away and your co-workers continue to compound theirs with extra years of service and ever increasing wages upon which the pensions are based.