

Why are the retirement sums increasing yearly?

The increase in retirement sums is due to the following: However, if you are already 55, the yearly increase won't affect you. The retirement sum you need to set aside depends on when you turn 55 and is fixed for the rest of your life. It's important to keep in mind that the amount needed for retirement has increased over the years. For example, if the Full Retirement Sum had remained unchanged from \$30,000 when it was first introduced in 1987 (previously known as the Minimum Sum), it would only provide a monthly payout of about \$300 today. This amount would not be enough to cover daily living expenses and rent. Overall, the goal of increasing retirement savings is to help individuals build a financial foundation that will enable them to support themselves through retirement.