Retirement Planning: How do your retirement plans measure up?

The retirement landscape is rapidly evolving post-financial crisis and how Canadians react and adapt to these changes will impact the waves of retirees who are fast approaching their retirement years.

34% of Canadian adults are not prepared financially for retirement

People

56% fully- or semi-retired people pushed back retirement by one to five years
40% do not have access to an employer pension plan
34% take primary responsibility for retirement planning

60% don’t know how much money they need to save to maintain their desired standard of living during retirement

Planning process

62% are without a written financial plan
25% feel they have not prepared financially for unforeseen health issues
22% will bequeath an inheritance to heirs prior to or upon entering retirement

Why people changed their planned retirement date

Delayed
41% Not ready
28% Like working
10% Extra money

Expedited
27% Health
15% Lost job
11% Disability

Preparedness

33% feel “extremely ready” for the non-financial aspects of retirement
30% have done nothing to determine how much money they will need
28% feel “extremely ready” financially
26% given little thought to impact of inflation, interest rates & taxation on investments

Point of view

52% will not carry any debts into retirement
45% do not believe they would be comfortable if forced into full retirement tomorrow
40% will retire fully at a specified date
31% will just live within their means in retirement
22% will carry a mortgage on their primary residence into retirement
12% plan to never fully retire

BMO Financial Group

We’re here to help.


BMO Financial Group provides this publication to clients for informational purposes only. The information herein reflects information available at the date hereof. It is based on sources that we believe to be reliable, but is not guaranteed by us, may be incomplete, or may change without notice. It is intended as advice of a general nature and is not to be construed as specific advice to any particular person nor with respect to any specific risk or insurance product. The comments included in this publication are not intended to be a definitive analysis of tax applicability or trust and estates law. The comments contained herein are general in nature and professional advice regarding your personal circumstances, an independent insurance broker or advisor of your own choice for advice on your insurance needs, and seek independent legal and/or tax advice on your personal circumstances. All rights are reserved. No part of this report may be reproduced in any form, or referred to in any other publication without the express written permission of BMO Financial Group.

© “Nesbitt Burns” is a registered trade-mark of BMO Nesbitt Burns Inc. and BMO InvestorLine Inc. are wholly owned subsidiaries of Bank of Montreal. Members of the Canadian Investor Protection Fund. Members of the Investment Industry Regulatory Organization of Canada.

If you are already a client of BMO Nesbitt Burns, please contact your Investment Advisor for more information.

BMO Private Banking is part of BMO Wealth Management. Banking services are offered through Bank of Montreal. Investment management services are offered through BMO Private Investment Counsel Inc., an indirect subsidiary of Bank of Montreal. Estate, Trust, Planning and Custodial Services are offered through BMO Trust Company, a wholly owned subsidiary of Bank of Montreal.

® “BMO (M-bar roundel symbol)” and “We’re here to help.” are registered trade-marks of Bank of Montreal, used under licence.

bmo.com/retirementplan