Get ready for unretirement

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This is not my retirement
Unretirement [un-ree-tiyr-mint] – noun:
The growing trend away from early retirement – by choice or economic necessity – and towards continued work past the traditional retirement age of 65.

Canadian Unretirement Index
1. Baby boomers will redefine retirement.
2. They will retire later.
3. They will work because they want to.
At what age do you think you will finally stop working and be fully retired, if ever?
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- 2008: 64
- 2009: 65
- 2010: 68
- 2011: 69
- 2012: 68
- 2013: 69
- 2014: 
- 2015: 

Average expected retirement age has increased from 64 in 2008 to 69 in 2015.
At what age do you think you will finally stop working and be fully retired, if ever?

Thinking about the future, which of these describes what you think you will be doing at age 66, shortly after the traditional retirement age?
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- Working full-time: 43%
- Working part-time: 27%
- Fully retired: 20%
- No longer living: 1%
- Not sure: 10%

Which statement best describes your situation? The main reason I will be working at age 66 is because ...

- I need to: 53%, 62%, 61%, 63%, 65%, 59%, 56%
- I want to: 47%, 39%, 39%, 37%, 35%, 41%, 44%
Unretirement at Western

Unretirement at Western: 2007

working at 65
Unretirement at Western: 2007
working at 66

Unretirement at Western: 2015
working at 65
Unretirement at Western: 2015

working at 66

Unretirement at Western: 2015

working at 67
Unretirement at Western: 2015

working at 68

25% of full-time staff member retirements in the last five years occurred after age 65

Unretirement at Western: 2015

working at 69-74
What is driving unretirement?

1. Longevity.
2. Capital market volatility and historically low interest rates.
3. Pension and retiree benefits coverage.
4. Empowered baby boomers.
5. Prevalence of knowledge workers.

What does retirement look like today?

1. The percentage choosing to work past 65 as a lifestyle decision is rising.
2. A strong majority feel positively about their life in retirement.
3. Their health is good.
4. They’re spending less.
5. Phased retirement is emerging.
6. Few choose their retirement date.
Generally speaking do you feel positive or negative about your life in retirement?

- Positive: 88%
- Negative: 12%

What income replacement rate have you achieved in your retirement?

- CAN: 62%
- ATL: 67%
- QC: 64%
- ON: 60%
- MB/S K: 65%
- AB: 59%
- BC: 63%
How much retirement savings (excluding your home or other property) did you have when you retired?

- $0 to $99,999: 25%
- $100,000 to $249,999: 15%
- $250,000 to $499,999: 14%
- $500,000 to $749,999: 8%
- $750,000 to $999,999: 4%
- $1 million to just under $1.5 million: 4%
- $1.5 million to just under $2 million: 1%
- $2 million or more: 1%
- Don't know: 28%

Which one is the best thing about retirement?

- The freedom to do what you want, when you want: 48%
- Not having to follow a schedule: 15%
- Not working: 9%
- Pursuing hobbies and interests: 7%
- Travelling: 6%
- Spending time with friends and family: 6%
- Relaxing: 3%
- Learning new things: 2%
- Nothing: 4%
Which one is the worst thing about retirement?

- Financial constraints: 31%
- My health: 8%
- Not getting out of the house enough: 8%
- Boredom: 7%
- Not working: 2%
- Lack of routine: 2%
- Lack of self-worth/identity: 2%
- Spending too much time with my partner/spouse: 2%
- Other: 2%
- Nothing: 35%
Do you agree or disagree?

- My emotional health has improved in retirement: 62% Agree, 25% Disagree, 13% Don't know
- My life in retirement is more fun than my work life was: 59% Agree, 29% Disagree, 12% Don't know
- My retirement is like a vacation: 54% Agree, 38% Disagree, 7% Don't know
- I exercise more often in retirement: 48% Agree, 47% Disagree, 5% Don't know
- I spend less than I expected to in retirement: 48% Agree, 43% Disagree, 9% Don't know
- I worry more about money now than when I worked full time: 47% Agree, 48% Disagree, 4% Don't know
- My physical health has improved in retirement: 42% Agree, 45% Disagree, 13% Don't know
- I'm more intellectually stimulated in retirement than I was during my work life: 41% Agree, 47% Disagree, 13% Don't know

What was the biggest financial surprise of retirement?

- How easy it is to live on a reduced budget: 32%
- How difficult it is to live on a reduced budget: 22%
- I'm spending less than I expected: 10%
- I'm spending more than I expected: 10%
- How quickly my money is running out: 10%
- The cost of healthcare: 8%
- Other: 9%
How much, on average, do you spend on the following on a monthly basis?

<table>
<thead>
<tr>
<th></th>
<th>Workers</th>
<th>Retirees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food</td>
<td>$464</td>
<td>$396</td>
</tr>
<tr>
<td>Housing</td>
<td>$971</td>
<td>$731</td>
</tr>
<tr>
<td>Healthcare</td>
<td>$86</td>
<td>$110</td>
</tr>
<tr>
<td>Leisure/travel</td>
<td>$213</td>
<td>$333</td>
</tr>
<tr>
<td>Entertainment</td>
<td>$118</td>
<td>$124</td>
</tr>
<tr>
<td>Transportation</td>
<td>$220</td>
<td>$170</td>
</tr>
<tr>
<td>Savings</td>
<td>$431</td>
<td>$249</td>
</tr>
<tr>
<td>Income tax</td>
<td>$928</td>
<td>$498</td>
</tr>
<tr>
<td><strong>Total (monthly)</strong></td>
<td><strong>$3,431</strong></td>
<td><strong>$2,611</strong></td>
</tr>
</tbody>
</table>

Was your retirement phased? For example did you work part-time or freelance before stopping work for good?

- Yes, my retirement was phased: 18%
- No, my retirement was not phased: 76%
- Don’t know: 6%
Which of the following best describes how you retired?

- Finished my career and retired as planned: 33%
- Retired for personal health or medical reasons: 23%
- Took an optional early retirement offer from my employer: 13%
- Forced to take retirement due to my employer: 10%
- Retired for someone else’s personal health or medical reasons: 4%
- Retired for some other reason: 16%

What advice would you give working Canadians about retirement?

- Take care of your health: 88%
- Start saving/investing early: 88%
- Live within your means: 85%
- Write a will: 78%
- Develop interests that will occupy you in retirement: 74%
- Have a financial plan: 68%
- Understand and take full advantage of your workplace pension or retirement savings plan: 62%
- Plan how you will spend your time in retirement: 54%
- Become financially literate: 54%
- Don’t retire until your debt is paid off: 52%
Get ready for unretirement

1. Prepare a holistic financial plan.
2. Prepare a holistic life plan.

Start the Questionnaire Now...

Section A:
When investing money for retirement it is important to know how long the investment time horizon is that is how long you have to invest the money before you will draw an income.

The following two questions will help to establish your investment horizon.

1. When do you plan on needing the money?
   - I'm already retired, I need income right now
   - I plan to retire in less than one year
   - I plan to retire in 1 to 5 years
   - I plan to retire in 6 to 10 years
   - I plan to retire in 11 to 15 years
   - I plan to retire in 16 to 20 years
   - I plan to retire in more than 20 years

GetSmarterAboutMoney.ca
Invest Wisely
“Unless we understand who we want to be when we retire, we can’t really have a successful retirement.”

Doug Treen, PhD, MBA, Psychology of Executive Retirement: From Fear to Passion
Seven questions to ask yourself before you retire

1. What will be most important to you in retirement? What will give you a sense of purpose? What will be your passion?

2. What kind of work do you want to do, if any? Will it be strictly paid work or include unpaid, volunteer work?

3. Do you want to remain in your existing career? Would you rather do something entirely different?

4. Leave aside the financial importance of work for a moment. How important will work be to you in terms of intellectual and social fulfillment?
Seven questions to ask yourself before you retire

5. How much structure do you want in your day?
6. How will you replace some of the good stuff of work: intellectual engagement, challenge and growth opportunities? How will you stay connected?

7. What do you need to stay motivated, inspired and engaged? What do you need to stay healthy, vibrant and resilient?

Eileen Chadnick, Big Cheese Coaching
Unretirement is up to you