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Are You Ready to Retire?

According to a 2022 survey,¹ only 35% of Canadians aged 50 and older feel they're financially ready to retire. Sixty-two percent report being unprepared or unsure if they have the resources. In a similar survey, Bromwich+Smith and Advisorsavvy² report that 71% worry they will never be able to save enough to retire comfortably. Sixty-two percent are delaying retirement indefinitely.

A 2023 Scotiabank financial readiness survey³ reports that 73% of Canadians feel the cost of living is rising faster than their income. Increasing prices from gas pumps to grocery stores require money that could be funnelled into savings. Interest rate hikes to combat inflation have also made servicing debt more expensive. Forty percent of Canadians are putting off retirement because they are saddled with debt and need to keep working.

While these surveys paint a bleak picture of retirement readiness among Canadians, having a plan in place can make a big difference. According to Co-Operator's 2023 survey⁴, 58% of those working with a financial advisor feel more confident about their money decisions. Fifty-six percent report that a plan customized to their goals helps them feel better about their current financial landscape and worry less about their future. Forty-two percent of those who work with a financial advisor report that they can consistently cover basic expenses, set money aside for savings and feel prepared for financial emergencies.

It's never too late to improve your financial outlook. Of course, the more time you have available to save, the better. Even if that window is narrowing for you, there are simple strategies you can use to make the most of your money now while still saving for tomorrow. Whether you need to get started, get back on track or amplify your savings strategy to retire sooner, here are two crucial steps to consider right now:

1. Commit to Saving

Saving can start with any amount, but having a goal in mind can significantly increase your consistency. A recent study reports that savings goals aligned with values and a future vision helped 73% of participants improve their savings habits and overall well-being.⁵

2. Work with a Financial Advisor

Once you've committed to changing your spending and savings habits, finding a financial advisor can solidify your success. They'll help you establish goals, customize a plan that maximizes your current income and assist you with saving for the future. Research suggests they can also empower you to grow your wealth. A 2016 study⁶ showed that people who work with a financial advisor for 15+ years build 173% more wealth compared to those who do not use a Financial Advisor.

Whether you are in your financial journey, the key to a secure future is to begin now. [Contact us today to get started or review your plan.](#) [1].

¹ Environics Institute: 2022 NIA Ageing in Canada Survey -

<https://www.environicsinstitute.org/projects/project-details/2022-nia-ageing-in-canada-survey> [2]

² Bromwich+Smith: Half of older Canadians have delayed retirement because of mounting inflation -

<https://www.bromwichandsmith.com/delayed-retirement-because-mounting-inflation> [3]

³ Cision: Scotiabank Poll: Canadians spending record hours worrying about their finances -

<https://www.newswire.ca/news-releases/scotiabank-poll-canadians-spending-record-hours-worrying-about-their-finances-857427146.html> [4]

⁴ Cision: New survey shows that Canadians are unprepared for today's financial challenges -

<https://www.newswire.ca/news-releases/new-survey-shows-that-canadians-are-unprepared-for-today-s-financial-challenges-877055203.html> [5]

⁵ Wagestream: How goals can help you save more - <https://wagestream.com/au-learn/how-goals-can-help-you-save-more#:~:text=It%20might%20sound%20simple%2C%20but,increased%20their%20savings%20by%2073%25> [6]

⁶ Cirano: The Gamma Factor and the Value of Financial Advice -

<https://cirano.qc.ca/files/publications/2016s-35.pdf> [7]

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