

Too many Canadians unaware of retirement needs

It appears that while many Canadians faithfully invest funds in their workplace retirement plans, they are somewhat lackadaisical when it comes to determining their retirement needs. Also, many fail to measure their progress towards those needs.

A November 2010 Ipsos Reid survey found that 44 percent of those who invest in a company-sponsored pension plan are not aware of what their income will be upon retirement. Furthermore, 41 percent do not know how their current holdings compare to that target.

Manage Your Personal Economy

The survey results are somewhat understandable considering the stress we encounter from a slow-growth economy, stagnant employment, job losses, rising prices, and government debt levels. Who has time to get into the details of planning for a retirement that is 20, 30, or 40 years away when this uncertainty is swirling all around us? This uncertainty shouldn't drag us away from executing a rock solid retirement plan. Actually, it should motivate us to do everything in our power to ensure our own self-sufficiency throughout the balance of our lives.

There is little one person can do to alter the global or even domestic economy, but you can plan and take actionable steps towards your personal economy. In fact, if everyone managed their financial security better, the domestic and global economy may very well resolve itself. To accomplish this,

however, you must know your current financial position with regard to your retirement objectives and take the actions needed in order to reach your retirement income goals.

Our Old Friend, Procrastination

Procrastination plays a large role when it comes to unsuccessful retirement planning. The survey found that Canadians 55 years of age and older displayed a greater interest in their retirement planning than younger Canadians. They were aware of their retirement needs, were tracking their progress, and enlisted the aid of a financial planner to help them reach their goals.

This is not surprising as concern for retirement rises the closer you get to it. Imagine, however, at age 55 discovering that you're nowhere close to having the necessary funds; that you're going to have to sock away most of your income during your remaining working life just to make ends meet; or, that you're going to have to continue working in your senior years to pay the bills. That doesn't seem like a just reward for all your years of hard work.

Many survey respondents claimed that the reason for not paying attention to their investments was the inability to understand their statements (36%) or that it was presented in an unengaging manner (24%). While respondents claimed that company pension plans provide little investment advice (72%), only 31% of respondents reported seeking outside assistance from a financial advisor.

Start Retirement Planning Early - because it's the right thing to do. Call today!



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