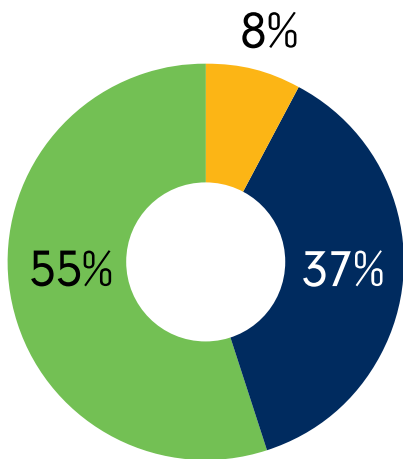


Delaying retirement to combat the rising cost of living

Many Canadians near and approaching retirement are deciding to delay retirement to mitigate the negative impact of rising costs. Older Canadians are most likely to consider this option.



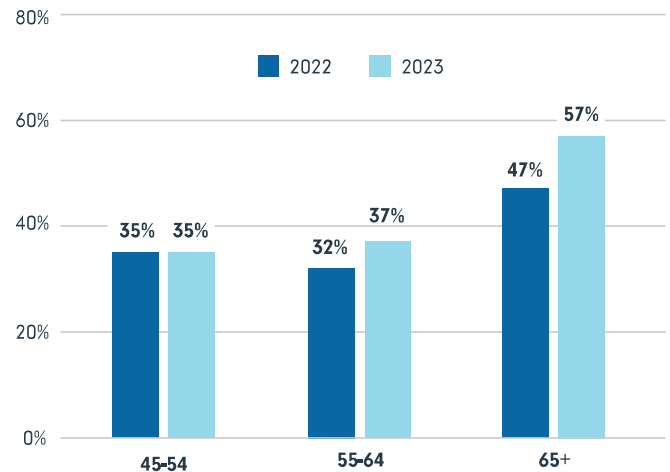
Pre-retirees: Has the rising cost of living influenced when you think you will retire?



- Yes, I'm planning to retire earlier than I originally expected or planned
- Yes, I'm planning to retire later than I originally expected or planned
- No, I'm planning to retire at the same age as I originally planned



Pre-retirees: Has the rising cost of living influenced when you think you will retire?
Answer: Yes, I'm planning to retire later than I originally expected or planned



Compared with last year, more pre-retirees aged 65+ said that they plan to retire later than they originally expected. One explanation is that more pre-retirees are expecting inflation to be higher for longer, rather than transitory. This means that they may have to work longer than initially planned to save more for retirement.



Canadians are increasingly concerned about the impact of rising interest rates and debt.

Following a period of record-low interest rates, Canadians now face higher interest payments on their debts. Pre-retirees are more likely to report being negatively affected by these changes.



Pre-retirees: Which of these factors is holding you back from retiring when you would like to? Answer: I am concerned with the amount of debt I owe

26%
2021

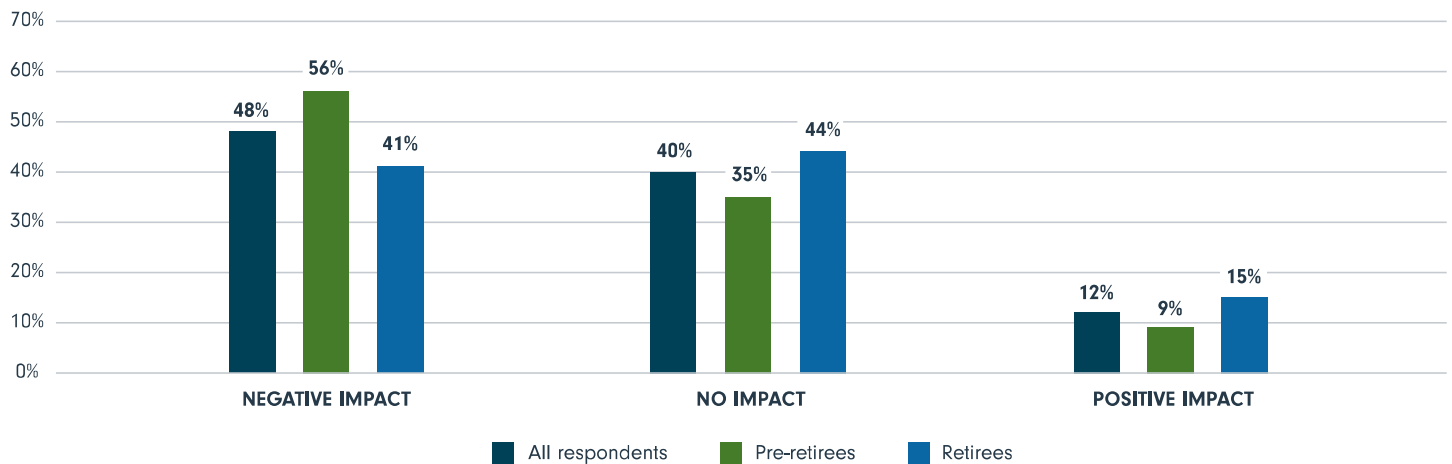
27%
2022

32%
2023



Fewer pre-retirees reported being held back from retirement due to concerns with debt in 2021 and 2022, likely due to lower interest rates.

All respondents: How are rising interest rates impacting your savings and /or your standard of living?



Higher interest rates also mean that fixed income investments such as bonds and GICs are providing higher yields. Investors should factor in the impact of inflation and the higher tax burden associated with higher rates.