

A Growing Trend to Keep Working in Retirement

According to statistics Canada, the average age of retirement in 1998 was 60.9 years. In 2023, it had increased to 65.1 years. Furthermore, more of us are thinking of continuing some form of work in retirement. What are the expectations and what are the reasons why? We thank our friends at Fidelity Investments for allowing us to share the following excerpt from the 2024 Fidelity Retirement report...



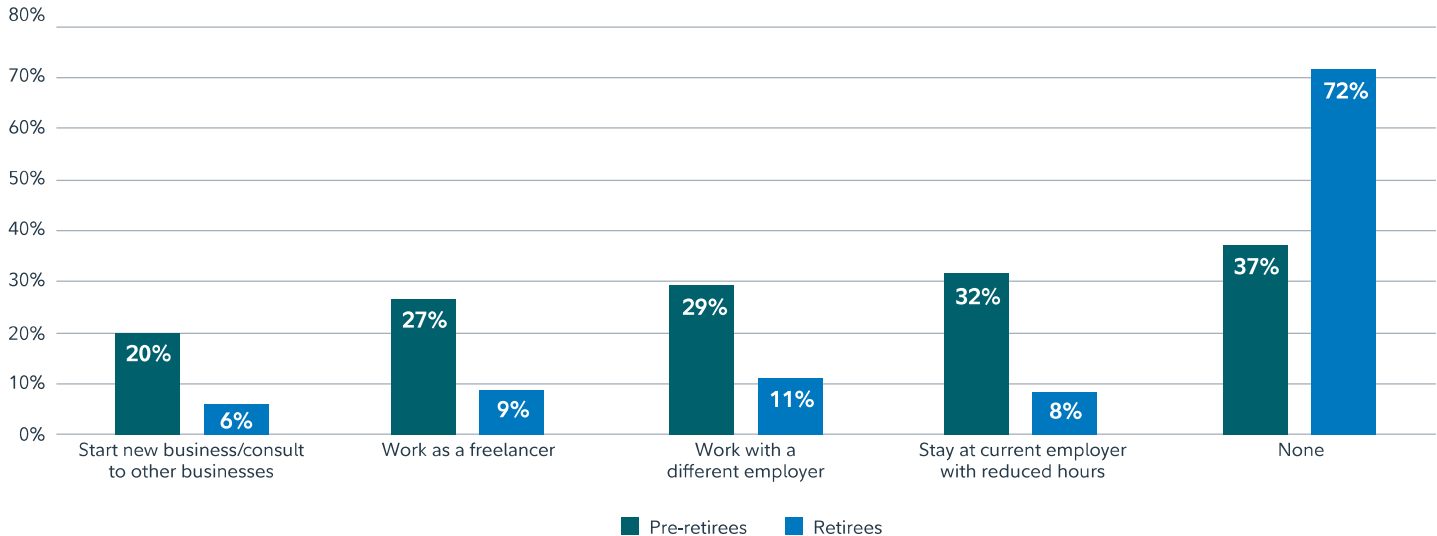
Most pre-retirees anticipate working in retirement in some form.

We see changing views on working in retirement. Less than a third of retirees have worked in some form or another in retirement. But most pre-retirees anticipate doing so.

Some groups were more likely to state as much, including those born outside Canada and those likely to support their adult children financially.

Pre-retirees: Please indicate if you will likely do any of the following once you transition into retirement.

Retirees: Did you do any of the following after you transitioned into retirement? Select all that apply.



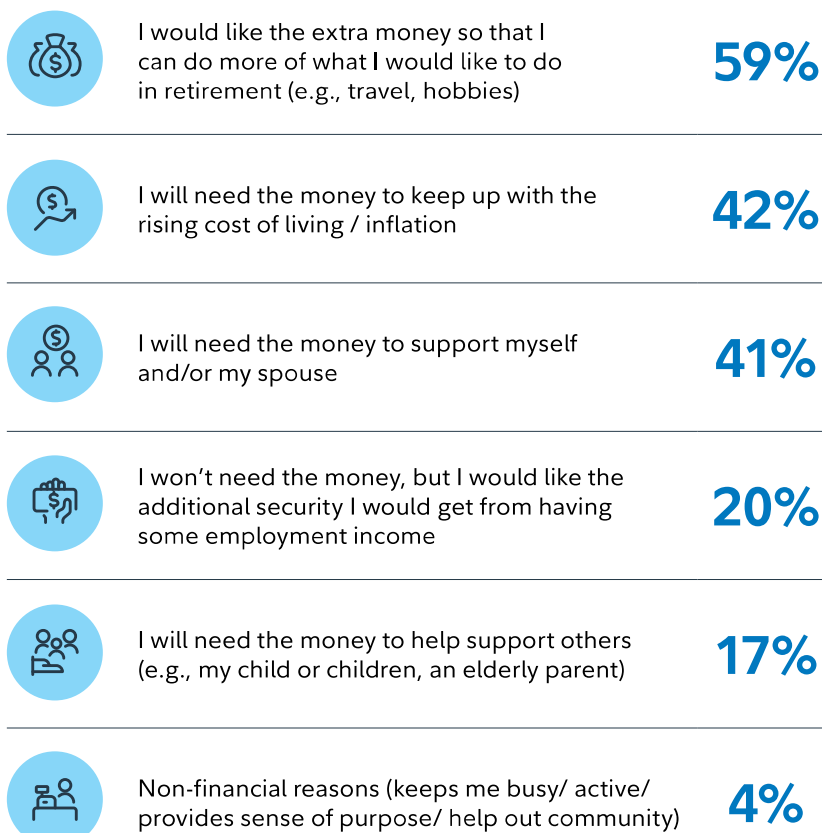
While inflation was one reason for this trend, most pre-retirees would like extra money for recreational purposes.

Keeping up with the rising cost of living is an important financial reason for which pre-retirees are considering working in retirement. However, it isn't the most common one. We find that most pre-retirees indicate that they would like the extra money to spend on hobbies or recreational activities.

We also find that there isn't a clear relationship between those working in retirement and their level of household income, suggesting that in general, many Canadians may be working or anticipating working to maintain a higher material standard of living, rather than just to keep up with the rising cost of essentials.



Pre-retirees likely to work in retirement: Which of the following best describe the financial reasons why you think you will likely work in retirement?



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