

# Retirement Planning



Does planning and saving for your retirement while juggling current bills and expenses seem impossible? You're not alone. Many Canadians don't believe they will have enough money for their retirement needs (50% according to a 2010 survey\*). Starting to plan and save early can help reduce stress and worry about your financial situation in your golden years. We all want to enjoy our retirement in comfort, and starting as early as you can allows you to take the most advantage of one of the most valuable resources when it comes to saving and growing your money – time.

**Get started as soon as possible.** The time to start putting money away for your retirement is the day you receive your first pay cheque. You can start with as little as \$25/month and increase as your pay increases. Starting early and making it a habit will ensure there is money available when you are ready to retire. Small contributions matter and will build over time. If you haven't started yet – don't worry! Speak with your financial adviser about what you can do today to reach your retirement goals.

**Find free money.** Does your employer offer benefits such as RRSP matching? Take advantage of this plan to help boost your savings.

**Don't get discouraged.** Looking at the final total may seem daunting, but saving for retirement is a long term goal and will take time and patience. Always keep retirement a savings goal even when there seems like there is no room to save.

**Inform yourself on products.** You don't need to be an expert but having knowledge about your different options will help you understand and feel comfortable about your financial planning path. There are many options and no "one-size fits all" approach. Ask your financial institution if they offer educational seminars, or consider working with a professional to explore your options and build a financial plan.

**Set a goal.** What does retirement look like to you? Are you travelling? Enjoying your cottage? Having an idea of what kind of lifestyle you want to enjoy will help you set a goal for savings and determine what you want your minimum savings to be. For example, if you're in your 20s save 10% of your income; in your 30s save 15% of your income; if you're 40+ save 20%.

**Review.** Look at plan regularly to make sure you are still on your way to reaching your goal. Your plan may change as you get older based on how much risk you're willing to take on, how you plan to use your money when you retire, and how close to retirement you are. Re-evaluate your financial situation annually to make sure you are on the right track and that you are receiving the maximum financial benefit for retirement saving.

\* 2010 Canadian Securities Administrators Survey on Retirement and Investing

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