

# RETIREMENT: A FULL-TIME JOB?

The financial plans that many baby boomers assumed would see them through retirement are falling short of their goal. Many people must now postpone their retirement in order to manage this savings shortfall; a trend amplified by the recent recession and financial crisis.

In recent years there has been growth in the employment rate for both men and women aged 55 and over. According to Statistics Canada, between 1997 and 2010 the employment rate of men 55 and over grew to 39.4% from 30.5%, and that of women grew to 28.6% from 15.8%.

With so many recent studies indicating that many Canadians are not financially prepared for retirement, why aren't they taking full advantage of their RRSPs?

#### Here is the common rationale:

- 1) Conflicting priorities: Canadians have other priorities that seem more important than saving for their retirement
- 2) Canadians believe that government sponsored retirement income programs will provide them with income to meet all their needs

Invest in your future with an RRSP and begin to enjoy the benefits today. Take advantage of tax savings now, and have peace of mind in knowing you will have a more financially secure retirement.

This year's contribution deadline is February 29, 2012

#### The RRSP contribution limit is:

- 18% of earned income up to a limit of \$22,450
- Plus any unused contribution room from previous years
- Less any pensions adjustments from employer pension plan contributions

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