

13 July 2016

**Global HSBC survey: Canadian retirees some of the happiest, pre-retirees amongst the most likely to expect property to fund retirement**

While just over half of current Canadian retirees (53%) say a government pension is helping fund their retirement – only 35% of working-age Canadians say that’s likely to be the case for them. Instead, an increasing number of pre-retirees in Canada say they expect personal pension schemes, cash savings, as well as property will fund their retirement.

This, according to HSBC’s *the Future of Retirement: Generations and Journeys*, a new global retirement report capturing the views of 18,207 people across 17 countries and territories worldwide – including 1,037 in Canada. The complete Canada and global reports are available at [www.hsbc.ca/retirement](http://www.hsbc.ca/retirement).

**Betty Miao, Executive Vice President and Head of Retail Banking and Wealth Management, HSBC Bank Canada said:** “While Canadian retirees rank as some of the happiest in the world, almost half of working-age people in Canada are not currently saving for retirement. Furthermore, they are twice as likely to consider selling their homes to fund their retirement compared to those who have been able to stay on-course with their retirement savings plans.”

**How Canadians compare to their global peers:**

**1) Pre-retirees expect to find retirement savings “underneath the floorboards”:** One in five (20%) of Canadian pre-retirees – compared to just one in 20 (5%) of current retirees – say that income from downsizing or selling a primary or secondary property will help them fund their retirement. Canada ranks well above the global average (12%), trailing just behind Australia (26%), the UK (22%), and Singapore (21%). Furthermore, those closer to retirement are more likely to think that income from downsizing or selling property will help them fund their retirement.

Age	% who expect property to fund retirement
25-29	12%
30s	14%
40s	20%
50s	26%
60+	31%

**2) About half of working-age Canadians are not currently saving for retirement.** Almost half of pre-retirees in Canada (48%) say they have yet to start or are currently not saving for retirement. Working-age respondents in Argentina (65%), Taiwan (54%), France (53%), and Mexico (52%) are the most likely to say they’re not currently saving for retirement.

**3) Canadians are the most likely in the world to expect to move into a retirement home one day** – Three in five (59%) Canadian pre-retirees say they plan to move into a retirement home one day – four-times more likely than current retirees – and almost double the global average (31%). Worth noting is the cost and availability of retirement home living: varying significantly across Canada, the average cost of assisted living for one person was \$41,724 per year in 2013.<sup>2</sup>

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## **2 / Global HSBC survey: Canadian retirees some of the happiest, pre-retirees amongst the most likely to expect property to fund retirement**

- 4) **Canadian retirees some of the “happiest” in the world!** Seven in 10 (72%) of Canadian retirees report feeling “happy” in retirement, second only to retirees in Mexico (80%). In comparison, retirees in Hong Kong (50%), Singapore (50%) and Taiwan (53%) are the least likely to describe their retirement as “happy”. Further, almost 8 in 10 (77%) working age Canadians who have started saving think they will feel happy in retirement, compared to just over half (55%) who have not.

### **Your future self just texted with some advice:**

- 1) **Start saving now... yes, now.** With the benefit of hindsight, two in five (39%) pre-retirees would have started saving for retirement at an earlier age, as would one in three (32%) retirees. The earlier you start, the harder your savings will work for you.
- 2) **Do talk about it with your friends and family, but also get professional help.** About half (45%) of those who have received retirement advice and/or information say it gave them a better understanding of the financial implications of their choices, and about three in 10 (32%) said it helped them avoid making mistakes – only 4% said there were no benefits.
- 3) **Take care of yourself – you’re worth it.** Priorities differ by age, and while having good health (71%) and enough money for a comfortable life (48%) rank highly for Canadians of all ages, these are much more likely to be important for older generations –in fact, 87% of Canadians over the age of 60 say it’s their main priority.

**Added Miao:** “While a change of lifestyle or move to retirement living may be a great thing come retirement, it’s worth noting the wisdom shared by many of today’s retirees: start saving earlier, take good care of yourself and your health, and don’t hesitate to get advice from trusted professionals along the way – they’re there to help.”

### **The 5 approaches to life and finances according to the research:**

- 28% of Canadians are **Strategic Planners** (27% global average). They are typically higher earners who plan early and strategically, and they are able to enjoy the luxuries in life as a result.
- 28% of Canadians are **Comfortably Affluent** (well above 21% global average). They tend to be older with financial plans in place, and are able to relax and enjoy time with family and friends.
- 24% of Canadians are **Concerned Realists** (well above 17% global average). They have a more pragmatic approach to life and are likely to be cautious in their planning and spending.
- 13% of Canadians are **Committed Savers** (well below 20% global average). They are inclined to value saving over spending, but are more likely to face struggles along the way.
- 7% of Canadians are **Assured Optimists** (below 16% global average): More optimistic about the future, they are comfortable taking risks while having fun and enjoying life.

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#### **Notes to Editors:**

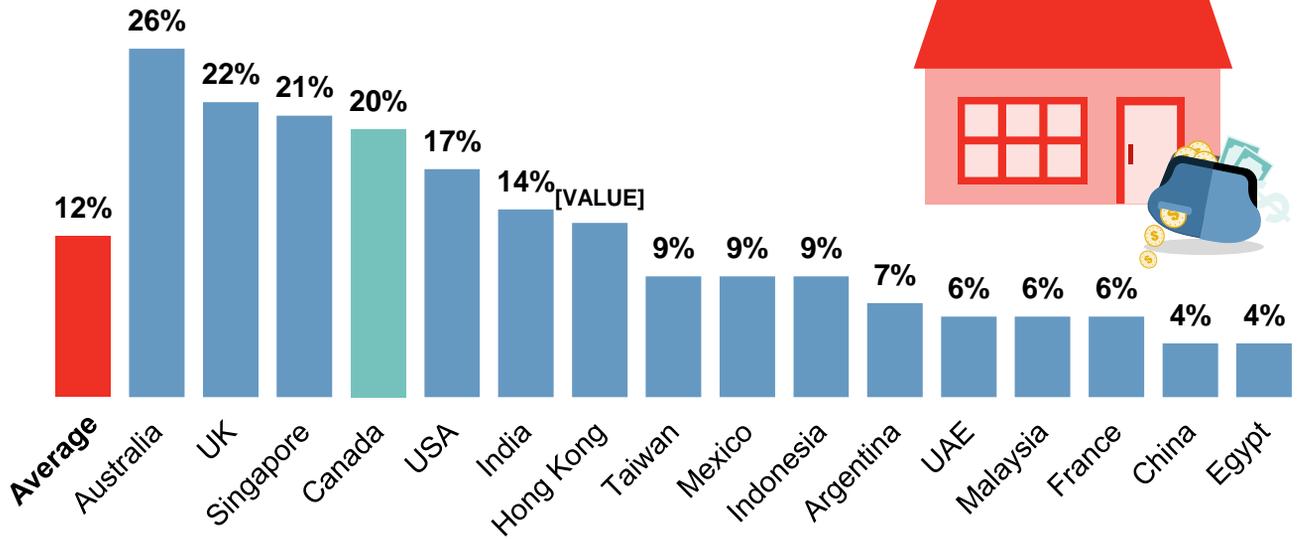
1. Infographic available for download on CNW, highlighting key findings of HSBC's The Future of Retirement: *Generations and journeys*
2. 2013 CMHC Seniors Housing Report:  
[https://www.cmhc-schl.gc.ca/odpub/esub/65991/65991\\_2013\\_A01.pdf?lang=en](https://www.cmhc-schl.gc.ca/odpub/esub/65991/65991_2013_A01.pdf?lang=en)
3. The Future of Retirement is a world-leading independent research study into global retirement trends, commissioned by HSBC. It provides authoritative insights into the key issues associated with ageing populations and increasing life expectancy around the world. This report, *Generations and journeys*, is the 13<sup>th</sup> in the series and represents the views of 18,207 people in 17 countries and territories worldwide (Argentina, Australia, Brazil, Canada, China, Egypt, France, Hong Kong, India, Indonesia, Malaysia, Mexico, Singapore, Taiwan, United Arab Emirates, United Kingdom, United States). The findings are based on a nationally representative survey of people of working age (25+) and in retirement, in each country or territory. The research was conducted online by Ipsos MORI in September and October 2015, with additional face-to-face interviews in Egypt and the UAE. Since The Future of Retirement programme began in 2005, more than 159,000 people worldwide have been surveyed. For more information about The Future of Retirement, visit [www.hsbc.com](http://www.hsbc.com)
4. HSBC Bank Canada, a subsidiary of HSBC Holdings plc, is the leading international bank in the country. We help companies and individuals across Canada to do business and manage their finances internationally through three global business lines: Commercial Banking, Global Banking and Markets, and Retail Banking and Wealth Management. Canada is a priority market for the HSBC Group – one of the world's largest banking and financial services groups with assets of US\$2,596bn at 31 March 2016. Linked by advanced technology, HSBC serves customers worldwide through an international network of around 6,000 offices in 71 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa.

# The Future of Retirement *Generations and journeys*

## Canada Infographics of key findings

**20%** of pre-retirees – compared to **5%** of current retirees – say that downsizing or selling a primary or secondary property will help them fund their retirement.

Global average: pre-retirees **12%** current retirees **9%**



**63%**

of people in Canada in their 60s and over expect to move into a retirement home.

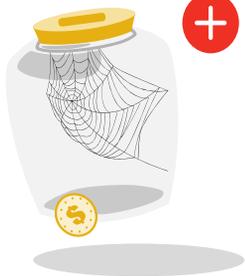
Global average: **30%**



**28%**

of pre-retirees in Canada have never received advice or information about retirement.

Global average: **27%**



**48%**

of working-age people in Canada have not started or are currently not saving for their retirement.

Global average: **24%**



**70%**

of retirees in Canada say they feel happy in retirement.

Global average: **67%**