

29 April 2015

HSBC global retirement survey: Canadians among the most likely to spend it all before they go

And not before reaching more of their later-in-life dreams

HSBC’s latest global report -- The Future of Retirement, *Choices for later life* – provides some surprising insights on how Canadians’ expectations and realities of retirement compare to their peers globally. The report is based on a survey of 16,000 working-age and retired people in 15 countries and territories worldwide – including 1,000 Canadians.

How Canadians compare to their global peers:

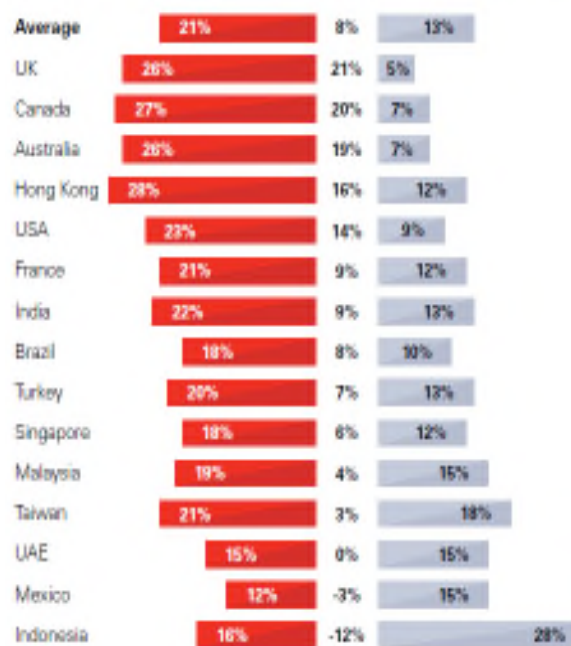
- **Big spenders: Canadians some of the most likely to want to spend it all before they go.** When asked about their attitude towards spending and saving, 27% of working-age Canadians say “spend all your money and let your children create their own wealth.”

- **Daring to dream: Canadian retirees significantly more likely to reach their later-in-life goals.** 44% of Canadian retirees have reached “at least one of their retirement hopes and aspirations”, placing them well above the global average (24%).

- **Mixed sentiments on semi-retirement: Canadian retirees are among the most likely to feel forced into semi-retirement, but almost half of today’s workers are planning for it.** Only 17% of today’s fully-retired Canadians say they semi-retired first, whereas 45% of working-age respondents say they plan to semi-retire before taking full retirement.

- **Canadians’ ‘Bank of mom and dad’ likely closed: Canadians are among the least likely to financially support adult children.** Only 11% of Canadian pre-retirees surveyed say they provide financial support to grown-up children – making Canadians among the least likely of all their peers globally to be providing financial support to their adult children, and placing them well below the global average (21%).

Is it better to spend or save?



2/ HSBC global retirement survey: Canadians among the most likely to spend it all before they go

Spotlight on semi-retirement: a forced reality for some, an aspiration for many

Of those Canadians currently retired, 15% say they made the decision to semi-retire due to a lack of employment opportunities later in life. Only Australian retirees (17%) reported a lack of job prospects in greater numbers than Canadians, and respondents from both countries were well above the global average (10%).

Commenting on the new report's findings, Betty Miao, Executive Vice President and Head of Retail Banking and Wealth Management, HSBC Bank Canada, said: "While the underemployment challenges facing today's youth and new graduates are more widely known, this latest research suggests that older Canadians and those approaching retirement age may also be feeling the pinch of underemployment at time when saving for the future is often at its most crucial."

The problem is not just limited to those on the cusp of retirement. In fact, 10% of Canadians surveyed between the ages of 45 and 54 years old admit that their shift into semi-retirement wasn't a choice on their part, suggesting that in the post-downturn job market, many experienced workers are being overlooked for full time positions. Further, half of all semi-retired respondents globally say they changed careers when they stopped full-time work. While some of these will be high achievers who reached their career aspirations and financial goals before retirement, the figures also point to a pool of wasted potential among experienced employees.

The research also shows a significant shift in how Canadians plan to retire in the future. Whereas only 17% of today's fully-retired Canadians say they semi-retired first, 45% of working-age respondents say they plan to semi-retire before taking full retirement. The trend towards an age of semi-retirement is reflected in survey results around the world, with an average 26% of working-age people globally planning to semi-retire.

Added Miao: "With government research suggesting a continued shortage of skilled labour in certain sectors and professions well into the future, it's fair to say that career opportunities look bright for at least some of those planning to work into their golden years.¹ That said, whether you're hoping to semi-retire earlier on in life or you're one of the 15% of Canadians surveyed who don't ever plan to retire, it's crucial that your financial plans are aligned to both your future aspirations, and the realities you may face later in life."

The full global and Canadian retirement survey reports and online retirement planning tool are available online at www.hsbc.ca/for.

Media enquiries:

Sharon Wilks
Head of Media Relations
HSBC Bank Canada
Tel: (416) 868-3878
Email: sharon_wilks@hsbc.ca

Aurora Bonin
Senior Media Relations Manager
HSBC Bank Canada
Tel: (604) 641-1905
Email: aurora.f.bonin@hsbc.ca

More...

3/ HSBC global retirement survey: Canadians among the most likely to spend it all before they go

Notes to editors:

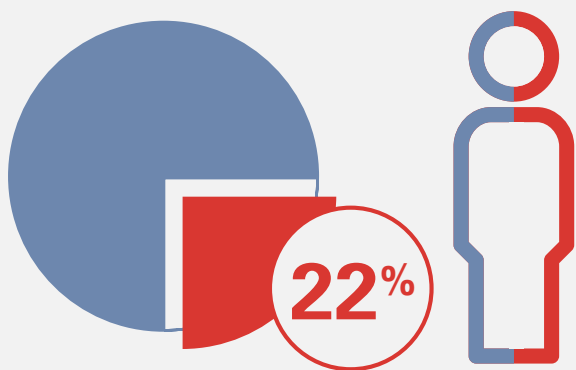
- 1) Government of Canada report entitled: *Labour and skills shortages in Canada: Addressing current and future challenges*. Link: <http://www.parl.gc.ca/content/hoc/Committee/411/HUMA/Reports/RP5937523/humarp09/humarp09-e.pdf>
- 2) Infographic available for download on Canada News Wire (CNW), highlighting key findings of HSBC's The Future of Retirement, Choices for Later in Life.
- 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 global report, *Choice for later life*, is the eleventh in the series and represents the views of more than 16,000 people in 15 countries and territories worldwide (Australia, Brazil, Canada, France, Hong Kong, India, Indonesia, Malaysia, Mexico, Singapore, Taiwan, Turkey, United Arab Emirates, United Kingdom, United States), including 1,000 respondents from Canada. The margin of error on a sample of 1,000 respondents is +/- 3.1 around the sample estimate. The findings are based on an online poll conducted by Ipsos MORI in August and September 2014. Since The Future of Retirement programme began in 2005, more than 141,000 people worldwide have been surveyed. For more information about The Future of Retirement visit: www.hsbc.com > [Retail Banking and Wealth Management](#)
- 4) HSBC Bank Canada, a subsidiary of HSBC Holdings plc, is the leading international bank in Canada. The HSBC Group serves customers worldwide from over 6,100 offices in 73 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa. With assets of US\$2,634bn at 31 December 2014, HSBC is one of the world's largest banking and financial services organizations.

Older workers past their 'work by' date

The Future of Retirement *Choices for later life*

Responses from working age people and retirees in a global survey of 16,000 people in 15 countries & territories

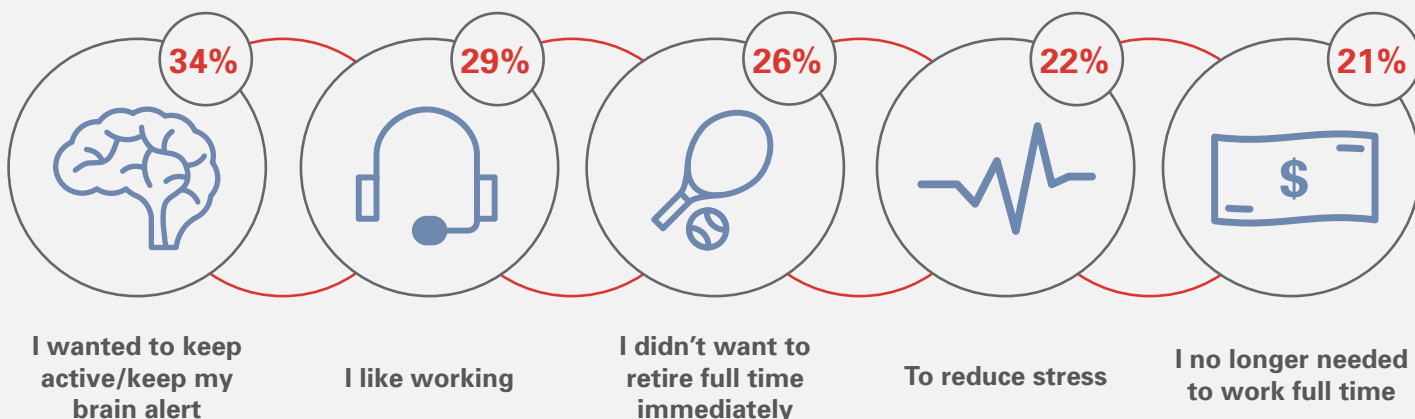
Over **one in five** retirees went through a period of semi-retirement



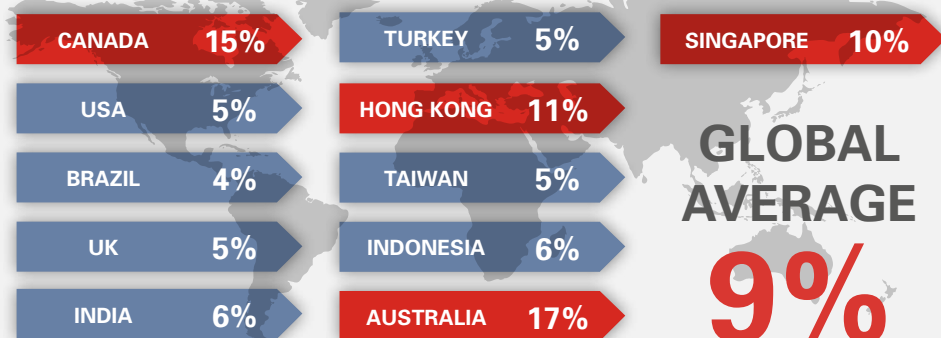
Over **half** of working age people plan to semi-retire



Retirees have several reasons for choosing **semi-retirement**



While some are forced to **semi-retire** because they can no longer find full time employment



55% of retirees changed careers when they semi-retired

