



## RETIREMENT

Each generation that retires will reap the benefits of their “financial life and times” and face their own financial challenges.

For instance, in some previous generations, company pension plans and RRSP’s were not common, or didn’t exist. So, actual retirement income could be very low. However, those generations tended to own their homes outright long before retirement. They rarely used credit, were thrifty and had accumulated savings throughout their working years.

The current retirement generation, The Baby Boomers, had a different approach. There may have been less emphasis on clearing debt and owning a home before retirement and more emphasis on owning consumer goods and taking vacations.

This may sound like a recipe for disaster as income drops in retirement, but consider this...many retirees now have additional pensions from employers and have contributed to RRSP’s at some point in their working lives. Also, couples usually had two incomes as opposed to the “husband works, wife keeps house” generations of the past.

Because this retired generation is living longer (and healthier) many will keep working past the usual retirement age or move into a part-time position. This not only tops up income but makes it possible to work at reducing any debt that is still being carried into retirement.

There are options available to this generation to deal with outstanding debt that wasn’t available in the past. Come to see us at K3C Credit Counselling for a confidential, no cost review of your personal situation.