



Longevity and the New Journey of Retirement

An Edward Jones and Age Wave thought leadership study



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Introduction to the new journey of retirement



Five forces are shaping the new journey

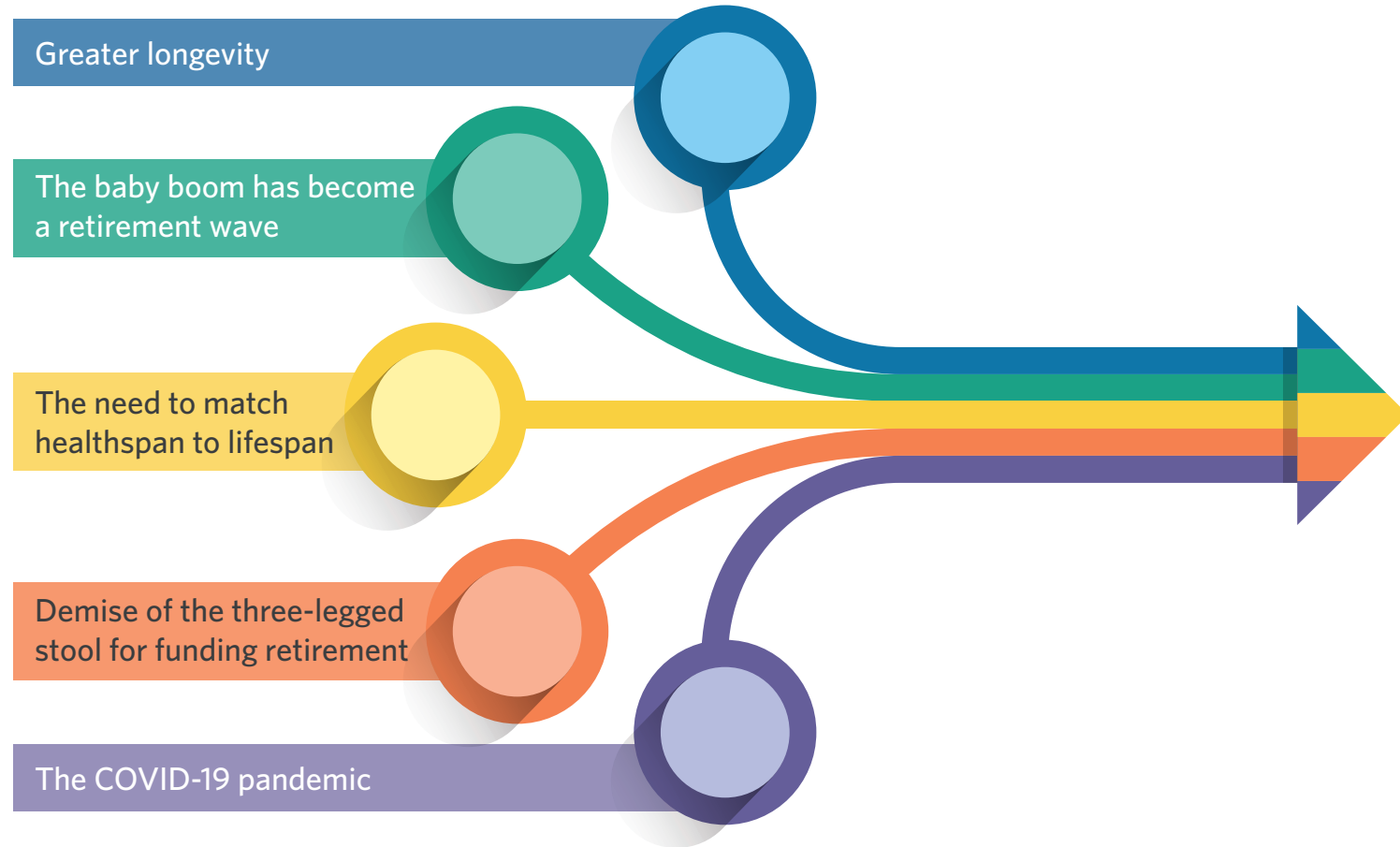
Greater longevity

The baby boom has become a retirement wave

The need to match healthspan to lifespan

Demise of the three-legged stool for funding retirement

The COVID-19 pandemic



Force #1

Greater longevity

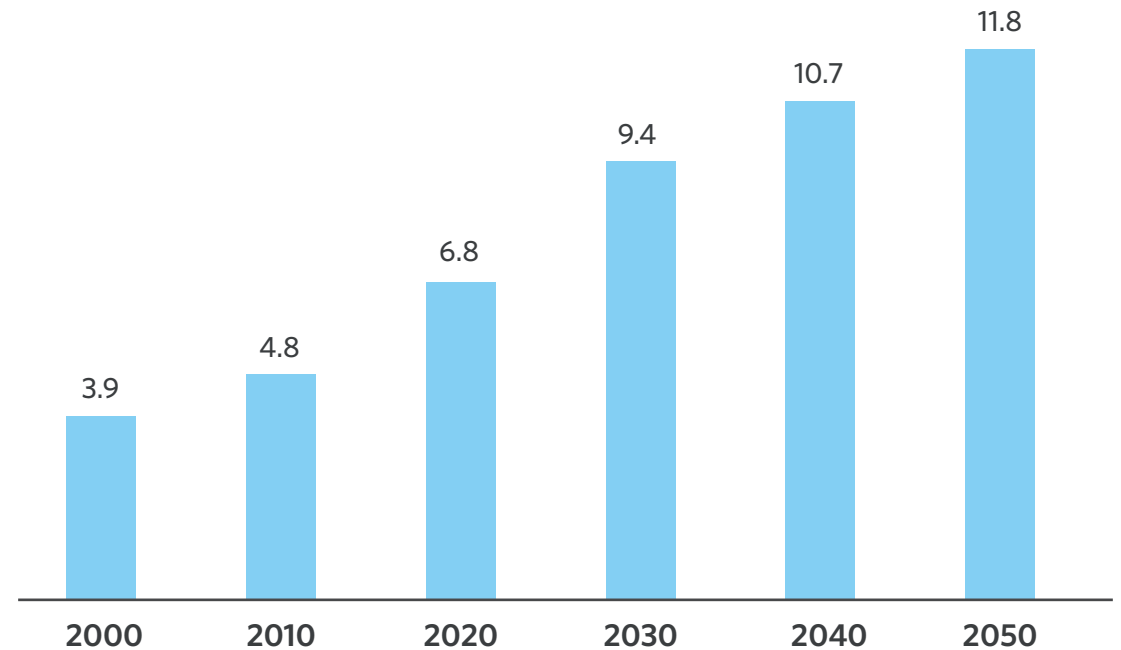
Half of all Canadian retirees would like to live to 100, and they say the ideal length of retirement is nearly three decades, 27 years.



Force #2

The aging boom

Canadian population age 65+ (millions)



Source : Statistic Canada

Force #3

Lifespan-healthspan gap

The average Canadian spends the last 11 years of life in poor health. Among those 65+, 73% are managing at least one chronic condition.



Curtailed by illness



Injury



Cognitive decline

Force #4

Demise of the three-legged stool for funding retirement

- Employer defined benefit pensions are rare
- Old Age Security benefits are insufficient
- Undersaving for retirement is common



Age retirees **started** saving for retirement



Age they **wished they had started** saving

Force #5

The COVID-19 pandemic

64% of retirees say “the COVID-19 pandemic has made life in retirement more difficult” and altered their retirement timelines. Silver lining: Canadians are re-evaluating priorities.



Retirement is now a new chapter in life

Retirement is now a longer, more important and expensive stage of life—and today's retirees increasingly want to make the most of it.



Parents' retirement

- 40% A time for rest and relaxation
- 26% A new chapter in life
- 18% A continuation of what life was
- 16% The beginning of the end



Retirement today

- 54% A new chapter in life
- 27% A time for rest and relaxation
- 12% A continuation of what life was
- 7% The beginning of the end

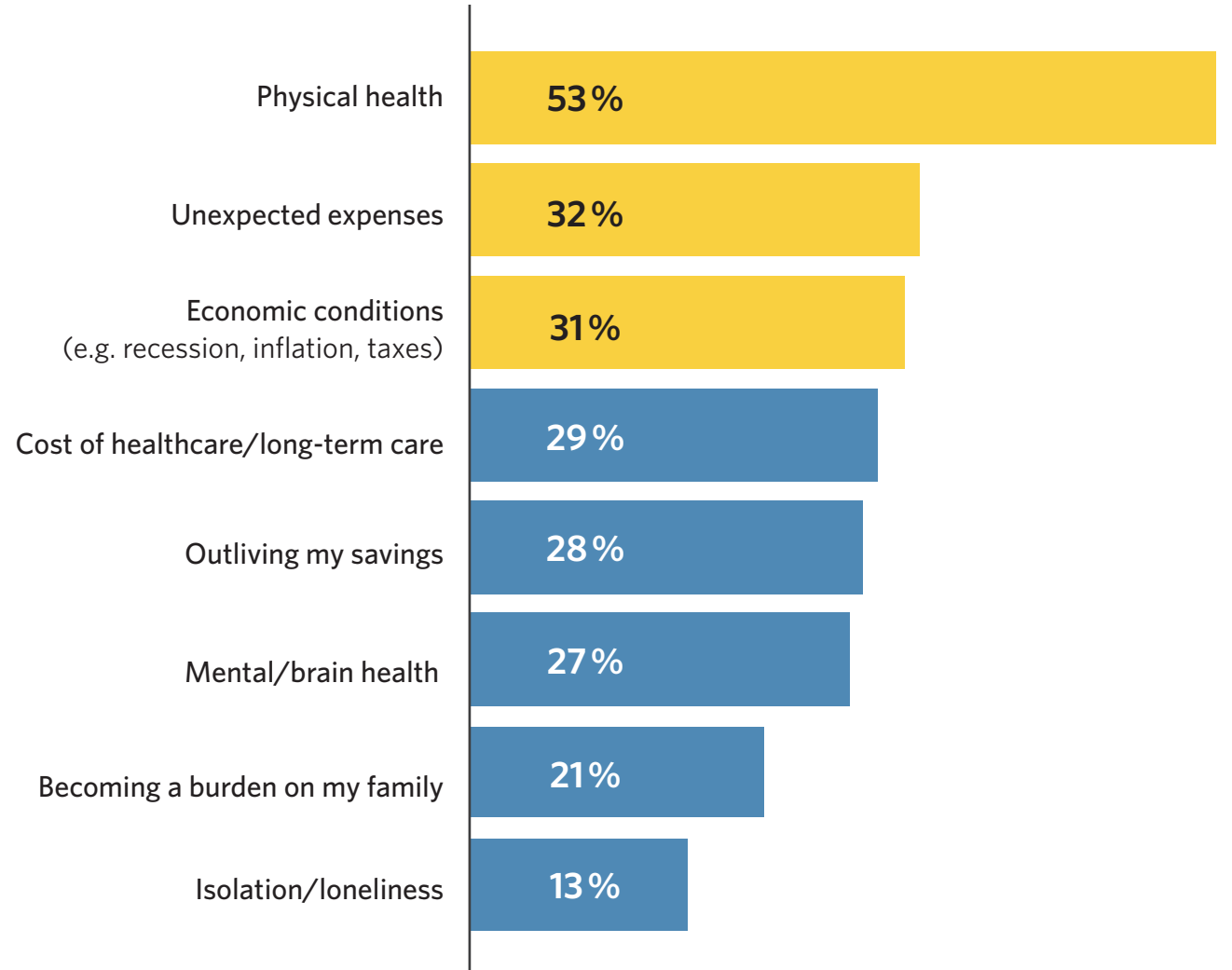
When does retirement begin?

Today, there is no agreed-upon milestone that marks the start of retirement.

Interestingly, one in five (21%) say it's when they achieve financial independence and only 9% say it's reaching a certain age.



Worries in retirement



Base: Canadian retirees and pre-retirees age 45+, select top 3 responses

Physical health

Staying active and adopting healthy habits can increase your longevity and can help you lead a more active and fulfilling life.



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Planning for the unexpected

The second biggest worry for those in retirement was planning for the unexpected.



The four stages of the new journey of retirement



Anticipation
10-0 years
Before retirement

Liberation/Disorientation
0-2 years
After retirement

Reinvention
3-14 years
After retirement

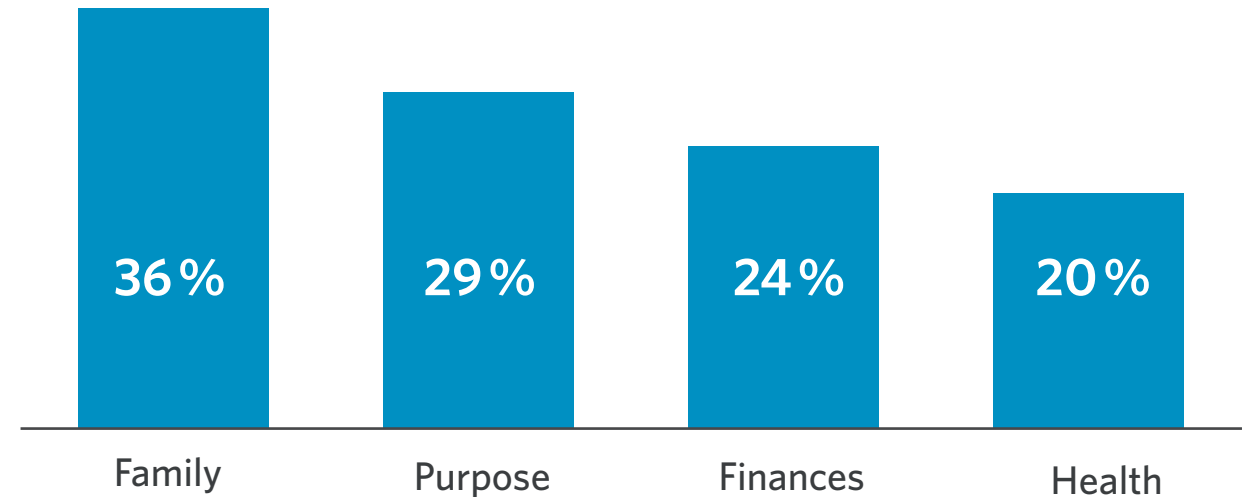
Reflection/Resolution
15+ years
After retirement

Stage 1

Anticipation

(< 10 years before retirement)

Preparedness for retirement across the four pillars (% very prepared)



Base : Canadian pre-retirees age 45+

Stage 2

Liberation/ Disorientation

(0-2 years after retirement)

The first years are a transition period, time to figure out what retirement really means. A sense of freedom from the anxieties of responsibilities for some is accompanied by feeling disoriented and uncertain about the future.

- 68% feel financially prepared for retirement
- 21% feel very prepared for retirement
- Half worry about outliving their money



The changing face of work and retirement

Ideal approach to balancing work and leisure in retirement

55%
working in
some way

6%

Working full-time

20%

Cycling between
work and leisure

29%

Working part-time

45%

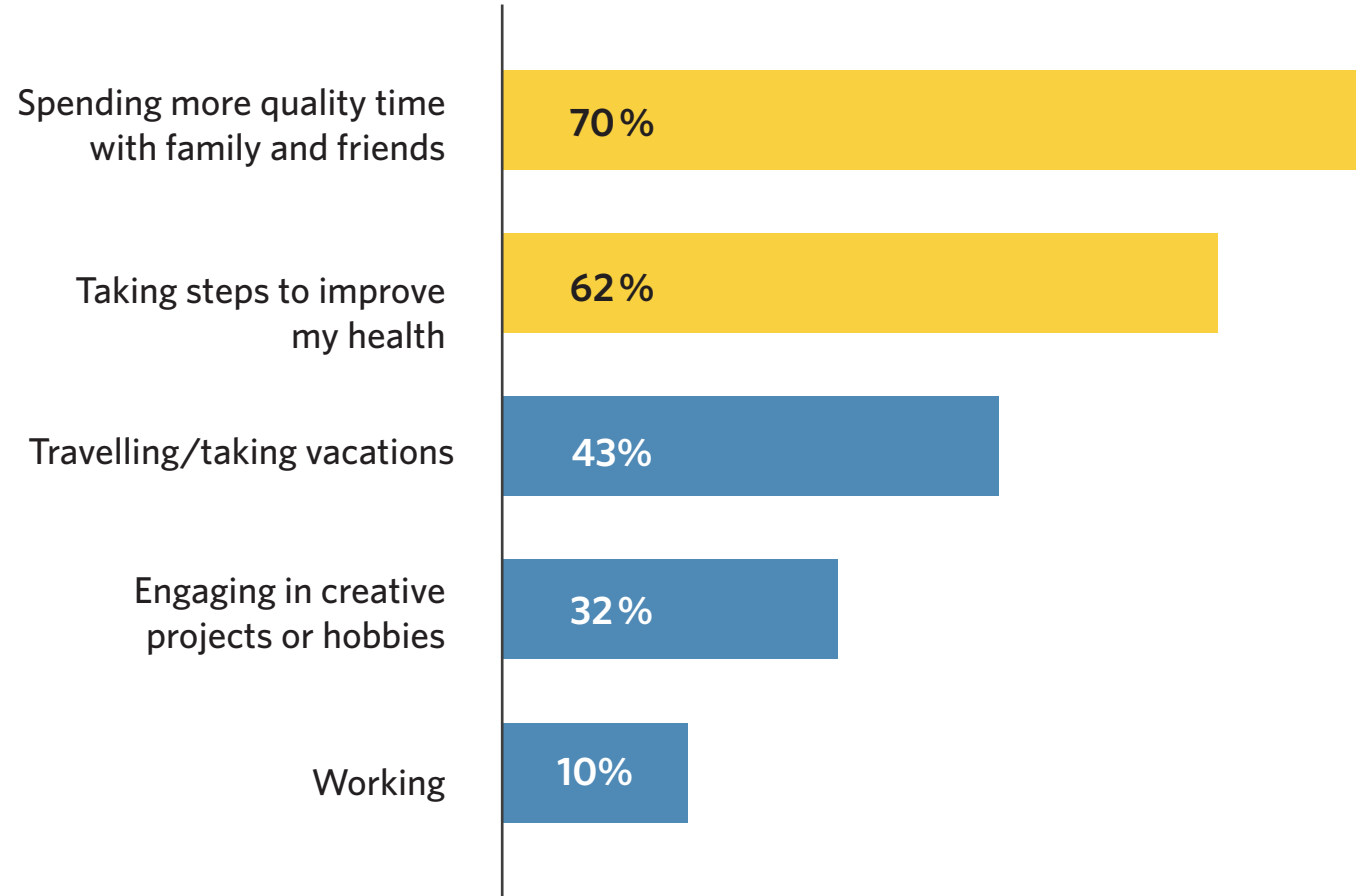
Never working
for pay again

Stage 3

Reinvention

(3-14 years after retirement)

Favourite activities in retirement



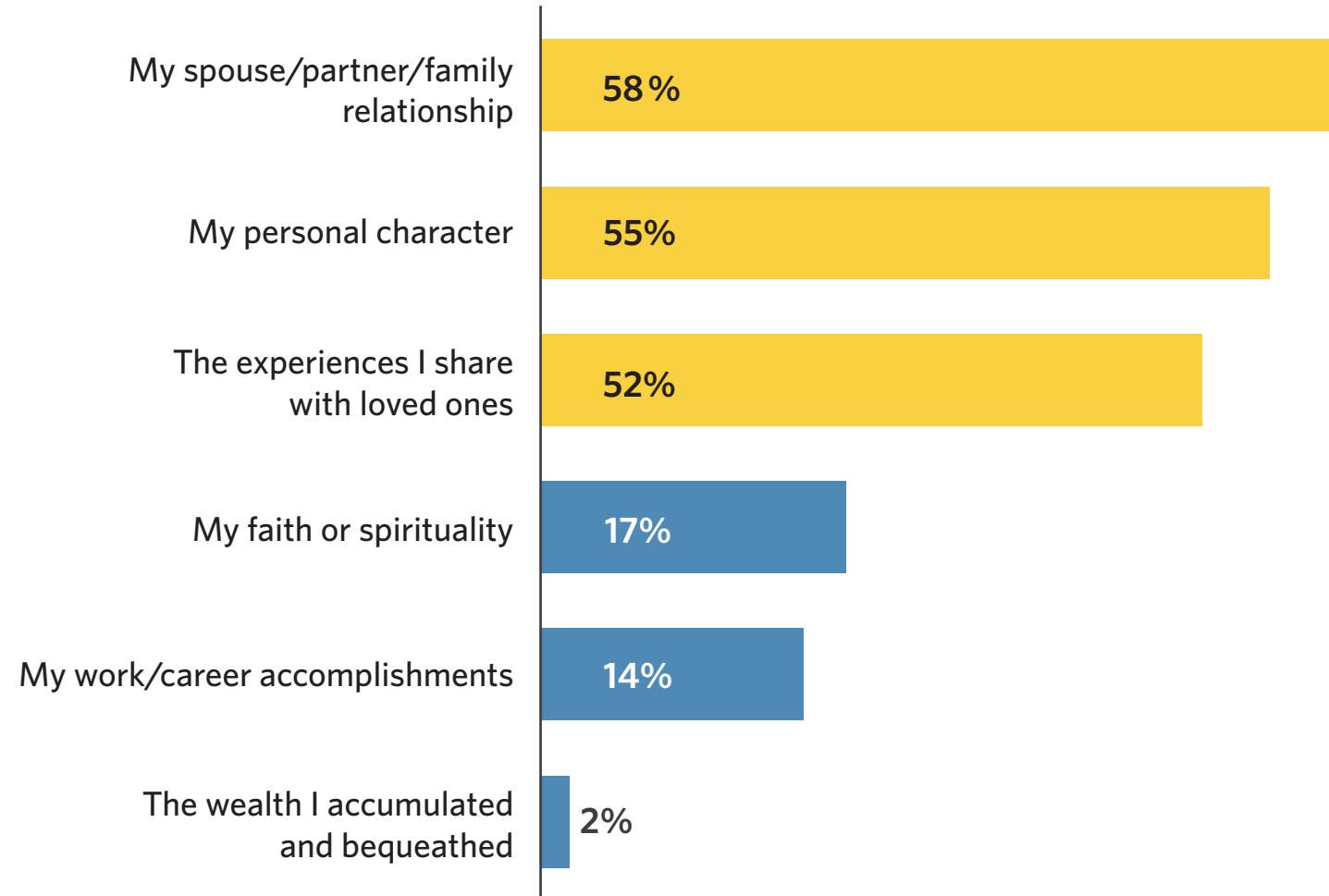
Base: Canadian retirees 3-14 years in retirement

Stage 4

Reflection and Resolution

(15+ years after retirement)

How retirees in Stage 4 would like to be remembered



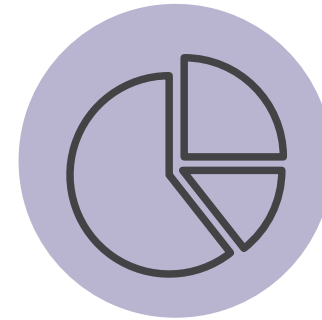
Base: Canadian retirees 15+ years in retirement

All pre-retirees can be **developing financial strategies, improving their health, communicating with family, and entering retirement with purpose**

Actions to take to prepare for retirement



Talk to your Edward Jones advisor to prioritize what is important to you



Develop a financial strategy to meet your goals and not outlive your savings



Plan for the unexpected and economic conditions



Recap

Getting started

- I want to understand what's important to you
- We'll use an established process to build personalized strategies to help you achieve your goals
- We will partner together throughout your life to help keep you on track



A team approach

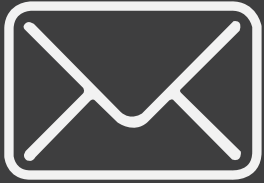


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Clients/prospective clients should consult their estate-planning lawyer or qualified tax advisor regarding their situation.

Questions & Answers

Let's connect!



Email me directly if you have additional questions



Call my office



Complete the **My Priorities Quiz** and bring it to your next appointment



How did I do? Complete the seminar evaluation

Thank you!