

# outlined:retirement

adapting to change and opportunity



5393A-06-2005

**life:outlined™**  
An unbiased guide to life events  
and making key financial decisions

## What is life:outlined™?

Every stage of life brings challenges. Standard Life has created life:outlined™ to provide you with unbiased information to guide you through life's events and help you make key financial decisions.



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## PLANNING AHEAD

What does retirement mean to you? Does it signal the start of an exciting new phase of your life, filled with opportunities to travel, learn new skills, socialize or even start a new career? Are you simply looking to slow down and relax? Or are you concerned about how you will fill your time, and how you will manage on a reduced income?

For many people approaching retirement, the answer is probably a bit of all three. Retirement is a major life change, and a degree of emotional upheaval usually comes with it. But as with all life changes, the key to a successful retirement is planning: planning how you will spend your time, and planning how best to use the money in your pension fund to ensure that your income is enough to support you while you enjoy your new-found free time.

This document aims to guide you through some of the issues you should be thinking about. It gives you ideas to help you decide how you might want to spend your time, and draws attention to some of the financial matters that you should consider. It is designed to help you take full advantage of the opportunities open to you, and to help you get the most from your retirement. After all, you are retiring from work, not life.



## How do you want to spend your retirement?

It is never too early to start preparing for retirement. As an exercise, take a few moments now to consider how you would really like to spend your time once you have stopped working. Write down all your current interests and think of others you might like to explore. Now look back at your list and examine it critically.

If your list is very short, or consists mainly of solitary pastimes, it may be time to start planning some new activities that will be more stimulating and involve more contact with others.

Developing new interests or fulfilling long-held ambitions not only makes life more interesting, it can also make you more interesting to others. And it is often best to start these new activities as soon as you can so you may carry them forward into your retirement, rather than waiting until you actually retire before trying something new.

## Do you want to continue working?

One way of easing the adjustment into retirement is to keep one foot in the door at work. This could mean carrying on in your existing job on a part-time basis, or finding a new part-time job. Or perhaps you are in a position to offer your skills on a freelance or consultancy basis.

Any of these options can be interesting and provide social contact, in addition to helping with your finances. If you are planning to adopt this "phased" approach to retirement, there may be steps you can take while you are still working full-time to acquire any new skills that you may need.

## Have you thought about volunteer work?

Many retired people derive great satisfaction from volunteer work at home or abroad. Being a volunteer allows you to do interesting work and meet like-minded people with similar interests, and working for a charity abroad also gives you the chance to experience a different culture. Volunteer work can lend structure and routine to your day – things you may miss when you first retire.



## How about traveling?

Many of us dream of exploring new places when we retire, either in Canada or abroad. Whether you want to go it alone or join a group, there are many advantages to traveling as a retired person. Being available to travel during off-peak season means that you may be able to snap up some real travel bargains. Speak to your local travel agent about what is on offer.

The Internet is another great way to explore travel possibilities. You can use it for research and to book your travel and accommodations online. If you've never used a computer before, this could be the ideal time to start. Your local continuing education college probably runs a number of suitable computer skills courses, and you'll also find a wide range of beginners' guides to the Internet at your local library or bookstore.

## LIFESTYLE & RELATIONSHIPS

People in retirement often find satisfaction and enjoyment in a wide variety of hobbies and activities. For many, this could be the chance to revisit the pastimes of youth, while others may discover a completely new interest that reveals another side of their character.

If the list of activities you drew up earlier is short, consider something as simple as setting up a regular lunch date with former work colleagues, joining a reading or cinema group or participating in a walking club.

Although you may want to use your increased leisure time to get on with household or garden jobs, it's a good idea to balance these activities with those that get you out of the house.



Golf, bowling, amateur theatre or singing in a choir provide many retired people with an absorbing interest and that all-important social contact. Look in your local library or newspaper, talk to your friends and work colleagues, and you are bound to find something that interests you.

The Internet is another excellent source of ideas for making the most of your increased leisure time. One of the most popular pursuits is tracking down distant relatives and building a family tree (if you search the Internet you will find a number of sites dedicated to genealogy). With email you can easily contact family members anywhere in the world.

## Are you prepared for changes in your relationships?

If you have a partner you will almost certainly find that retirement brings changes to your relationship. If you retire first you will have to adjust to being the home-based partner and perhaps the one who contributes less income to the household budget. If your partner has been used to being at home alone, your presence once you retire may require some adjustment.

Don't feel that you need to do absolutely everything together; there is nothing wrong with having independent interests. If you feel your relationship is becoming strained, make an effort to talk about your feelings and, if necessary, seek counseling to help get your relationship back on track.

## Retired and single?

If you are living without a partner it is particularly important to avoid becoming isolated and tied to your home once you retire. This can take considerable effort. You may want to seek a new partner with whom you can share your retirement, or you may simply want new friends and social contacts. In either case you will probably find that you are more likely to meet new people if you have an active lifestyle and pursue a variety of interests outside the home.

Finding yourself alone in retirement because you have recently lost your partner can bring with it extra stress. Talk to a friend, colleague or your doctor about how you are feeling, and find out what support groups operate in your area.



## Spending more time with your family?

Whether or not you have a partner, being able to spend more time with your family can be one of the most rewarding aspects of retirement.

For those with grandchildren, regular contact and watching them as they grow can be particularly satisfying. In fact, many retired people find that spending time with children and younger people helps them maintain a youthful, positive outlook on life.

This does not appeal to everyone, however. Some retired people feel they have done their fair share of child rearing and would rather not be relied on as child caregivers by their extended family. If you find your children are asking too much of you in this regard, be sure to discuss it with them.

## Do you have an active lifestyle?

Being less active as we grow older is not inevitable. Regular exercise, even if it's just a brisk walk each day, strengthens the body and helps you keep fit, while a sensible, balanced diet helps avoid poor health and weight gain. The healthier and fitter you are, the more you will get from retirement.

Physical activity does not have to be intense in order to do you good. The greatest health gains actually come from doing moderately active things like walking, dancing, gardening or stretching exercises for at least 30-60 minutes a day.\* Regular exercise can also help you maintain a positive outlook on life.

Joining a sports club or dance class brings with it the added benefit of meeting people. Our booklet *outlined:health and well-being* has more information to help you develop and maintain a healthy lifestyle.

\* Source: Health Canada, [www.hc-sc.gc.ca](http://www.hc-sc.gc.ca)



## MONEY MATTERS

### Have you worked out your budget?

What you are able to do in retirement can be limited by your income. Retirement usually means a drop in income, so you may find that you need to be more aware of your expenses in order to keep your finances under control. Drawing up a budget lets you keep track of your expenditures, and can also highlight areas where you can cut back or make savings. Remember to regularly check that you are receiving all the benefits you are entitled to.

Taking advantage of the many discounts and concessions available to retirees can also help make your money go further.

### Are you getting the most from your pension fund?

If you have a Defined Benefit pension plan with your employer the main decision you will have to make is what to do with any lump sum benefit you may receive. If, on the other hand, you have contributed to a Defined Contribution or money purchase plan, one of the key decisions that you will have to make when you retire is how best to withdraw the money built up in your pension fund.\*

You may be able to withdraw some or all of the proceeds as a lump sum, which is fully taxable. Or you can choose to convert your pension assets to an annuity or a Registered Retirement Income Fund (RRIF).

An annuity provides a guaranteed income for the rest of your life. How much you receive depends on the type of annuity you choose, as well as the rates in effect on the date you decide to buy.

\* Pension plan money is subject to provincial pension legislation.



As an alternative to buying an annuity, you may opt for a RRIF. A RRIF provides for periodic income, while continuing to tax-shelter the remaining capital. You can continue to invest your RRIF assets in different types of investment vehicles.

The decisions you make about how to disburse your pension funds will affect your standard of living for the rest of your life. Speak to a financial advisor before making any major financial decisions.

## CONCLUSION

Far from retreating from the world, retirement can be your chance to explore new opportunities and redefine life as you know it.

To help you get the most you possibly can from this hard-earned leisure time, plan ahead now.

Deciding how you want to spend your retirement and making lifestyle changes now can help to ease the transition when you stop working. Checking that your finances are in order will help you look forward to a secure financial future.

Seek expert advice from a financial advisor to help you decide how best to use your pension fund. Draw up a simple budget plan to help make your money go further once you are living off your retirement income.

Plan ahead so that you can enjoy what can be one of the most exciting and rewarding phases of your life.



## USEFUL CONTACTS

### Canada Revenue Agency

[www.cra-arc.gc.ca](http://www.cra-arc.gc.ca)

### Canadian Genealogy Centre

Library and Archives Canada  
395 Wellington Street  
Ottawa, Ontario  
Canada  
K1A 0N4  
1 866 578-7777  
Email: [cgc-ccg@lac-bac.gc.ca](mailto:cgc-ccg@lac-bac.gc.ca)

### Canada's Association for the FiftyPlus (C.A.R.P.)

Head Office  
27 Queen Street East  
Suite 1304  
Toronto, Ontario  
Canada  
M5C 2M6  
Email: [carp@50plus.com](mailto:carp@50plus.com)  
[www.50plus.com](http://www.50plus.com)

### Health Canada

1 866 225-0709  
Email: [info@hc-sc.gc.ca](mailto:info@hc-sc.gc.ca)  
[www.hc-sc.gc.ca](http://www.hc-sc.gc.ca)

### Government of Canada

Public Works and Government  
Services Canada  
Ottawa, Ontario  
Canada  
K1A 0S5  
Attn: Canada Site  
1 800 755-7047  
Email: [sitecanadasite@canada.gc.ca](mailto:sitecanadasite@canada.gc.ca)  
[www.canada.gc.ca](http://www.canada.gc.ca)

### Seniors Canada On-Line

Email: [seniors-aines@canada.gc.ca](mailto:seniors-aines@canada.gc.ca)  
[www.seniors.gc.ca](http://www.seniors.gc.ca)

### Volunteer Canada

330 Gilmour Street  
Ottawa, Ontario  
Canada  
K2P 2P6  
1 800 670-0401  
Email: [info@volunteer.ca](mailto:info@volunteer.ca)  
[www.volunteer.ca](http://www.volunteer.ca)

### YMCA Canada

42 Charles Street East  
6<sup>th</sup> floor  
Toronto, Ontario  
Canada  
M4Y 1T4  
(416) 967-9622  
[www.ymca.ca](http://www.ymca.ca)

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