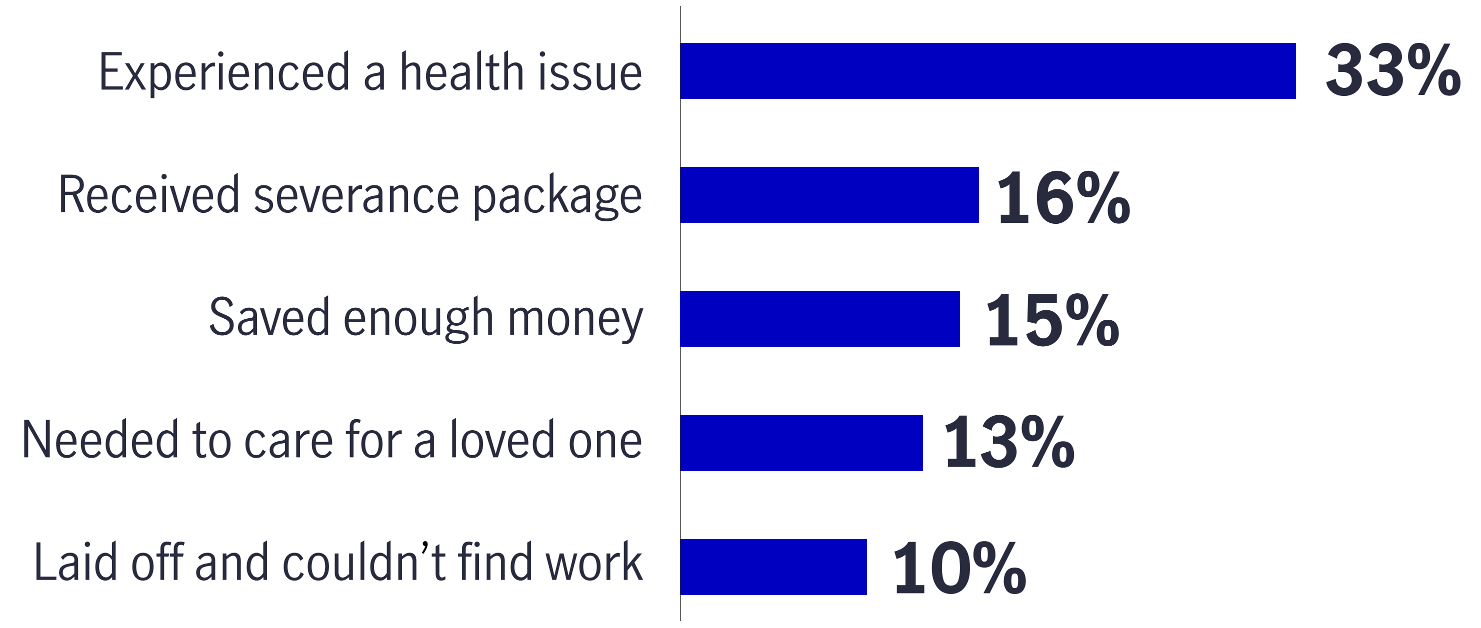
Retiree revelations

After all the saving, planning, and preparation, what's retirement really like? The answer really depends on why someone's career ended. We discovered a clear distinction between Canadians who stopped working when they wanted and those who were forced to retire ahead of schedule.

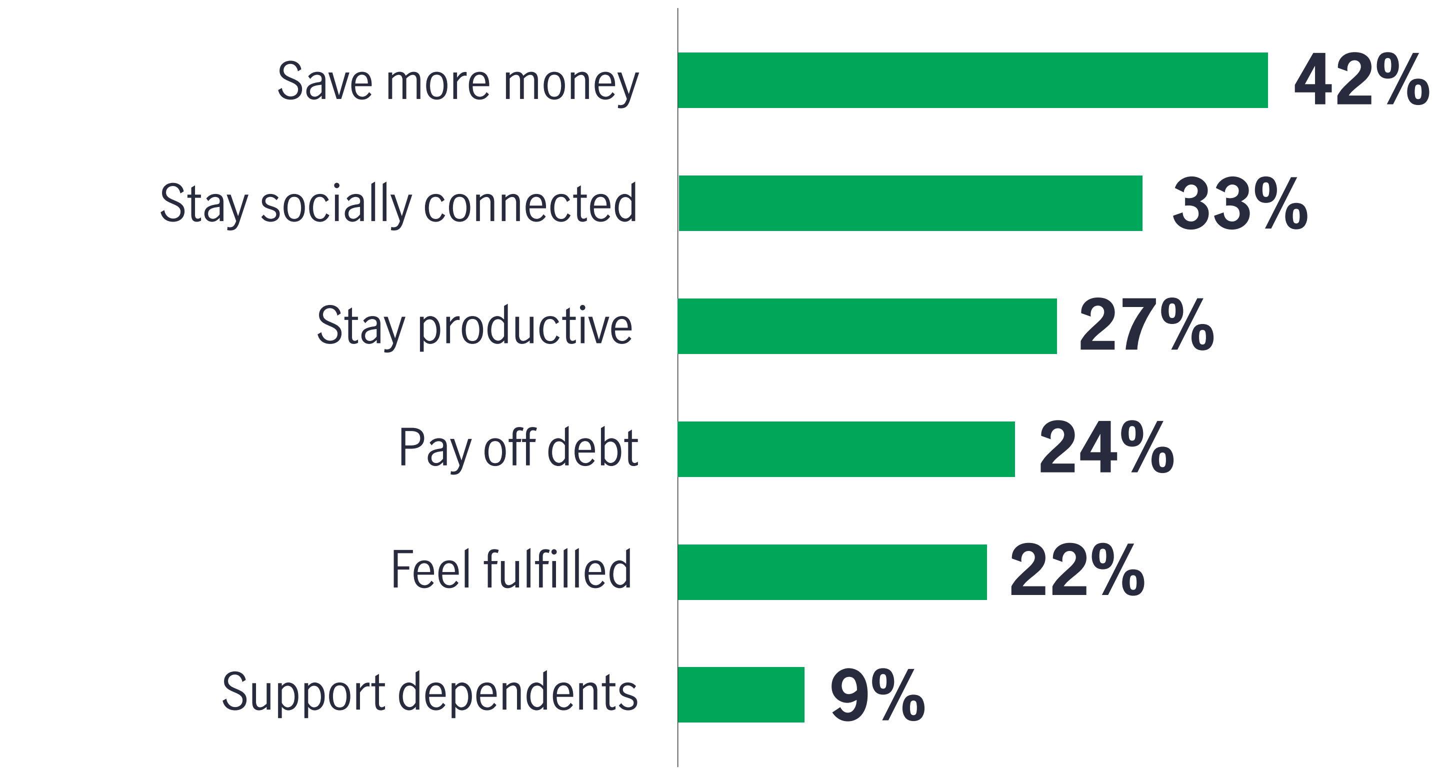
On average, early retirees exited the workforce at 56. Those who retired late or on time stopped working at 62. While there are obvious financial advantages to working longer, it's not always possible. Half of those who retired early did so due to personal or family illness. And even for people with extended careers, money woes are present, and there are real challenges for both groups. "I was in very good health until I wasn't," said one retiree. This feeling is echoed among respondents: "Retirement comes faster than you think."

Common drivers behind retirement

Reason for retiring sooner than planned



Reason for retiring later than planned



Timing is everything—the impact of early retirement

	Early retirees	Retired as planned or later
Expected vs. actual retirement age	63 vs. 56	61 vs. 62
Had a formal plan for retirement before retiring	74%	83%
Are more financially stressed in retirement than before	32%	19%
Wish they'd save more for retirement	54%	42%
Feel their financial situation is fair or poor	37%	24%
Need to fill a financial gap	52%	35%
Have made lifestyle adjustments to cut costs	62%	43%
Have no other sources of income than OAS/CPP/QPP	11%	6%

Words of wisdom

Five key themes emerged when retirees shared their biggest surprises and advice for those still working. These themes echo much of what we already weave into all our member education, but sharing the insight that comes from firsthand experience may prompt more workers to take action.

1

Be prepared, because retirement may come sooner than you think

“Plan ahead. It’s here before you know it.”

—Gen Xer

“It was a forced retirement due to cancer. It never occurred to me this could happen.”

—Baby boomer

2

Make saving for retirement a priority

“Stop spending and start socking away every penny you can. You don’t need a new car or the newest cellphone or a mansion of a house. Don’t live beyond your means.”

—Baby boomer

“Like many artists, I didn’t think that I could save for retirement. My advice is to start as early as possible, and no matter the amount you deposit, it will count later on.”

—Baby boomer

The testimonials provided may not be representative of the experience for all respondents.

3

Plan for future financial demands—retirement is expensive

"The biggest surprise is how much and how quickly the cost of living changes."

—Baby boomer

"I was surprised that my spending level was about the same, just spending on different things."

—Baby boomer

4

Work with a financial professional

"Pay for professional advice. It is well worth it."

—Baby boomer

"Make sure you get good advice. Don't get caught up in the same story we all tend to tell ourselves: I have time."

—Baby boomer

5

Have a plan for how you'll spend your time

"I have seen people unable to cope with retirement. The issue isn't financial. It is about maintaining a purpose in one's life."

—Baby boomer

"Have good plans in place as the 'fun' wears off very quickly."

—Baby boomer

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This year's online survey was conducted in English and French, and comprised of two participant samples sourced through Angus Reid's research panel: Canadian employees and Canadian retirees. The Canadian employee sample comprised of 1,680 Canadians, aged 18 and up, employed, and contributing to an employer-sponsored retirement plan. The survey for this sample was conducted from May 1, 2025, to May 16, 2025, with an average survey length of approximately 19 minutes per respondent. The Canadian retiree sample comprised of 514 retired Canadians. The survey for this sample was conducted from May 1, 2025, to May 16, 2025, with an average survey length of approximately 19 minutes per respondent. All statistical testing is done at 0.95 significance levels. Percentages in the tables and charts may not total 100 due to rounding and/or categories not included. The 2025 Financial resilience and longevity survey was commissioned by Manulife and Manulife John Hancock Retirement and conducted by Edelman DXI. Manulife is not affiliated with Edelman DXI and neither is responsible for the liabilities of the other. The commentary in this publication is for general information only and should not be considered legal, financial, or tax advice to any party. Individuals should seek the advice of professionals to ensure that any action taken with respect to this information is appropriate to their specific situation.

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