



## What will I live on when I retire?



Where will you get the money you need to live on after you retire? Most Canadians need to have a mix of sources. The five most common are:

### 1. Money from the government

Most of us will be able to get money through one or more government plans, but you have to apply and be approved. There are three major plans:

#### *Canada or Quebec Pension Plan (CPP/QPP):*

- Provides a monthly payment starting as early as your 60th birthday.
- What you get depends on what you paid in to the plan while you were working, and your age when you start getting your monthly payment.

#### *Old Age Security (OAS):*

- Provides income to Canadians age 65 and up.

- What you get depends on your other income, and how long you've lived in Canada.

#### *Guaranteed Income Supplement (GIS):*

- Helps Canadians with lower incomes.
- You must be 65 or older, and you must apply each year.
- What you get depends on how much other income you have, as well as your spouse's income, if applicable.

The most a person would get today from the government is about \$15,000 a year. That amount may go up if you qualify for low-income programs. Amounts may also be higher for couples.

### 2. Money from your pension plan or retirement savings at work

About half of all working Canadians get help with saving for retirement from their workplace. If you have a pension plan, make sure you find out what it offers and how it will work with your other income sources.

### 3. Your own savings and investments

Your own savings can play a key role in getting ready to retire. If you have been investing your money, you will likely need to make some changes before you retire.



JACQUES F. LIWANPO

CHARTERED ACCOUNTANT  
CERTIFIED FINANCIAL PLANNER



Choose with confidence, get the CA and CFP advantage

#### **4. Extra job income**

To add to their income, many people keep working, or run a business after they retire. This gives them extra income, but it may also reduce the payments they get from the government.

#### **5. Your property**

Some people sell their homes or other property to free up money to invest and earn income. You can also get income by renting part of your property, or borrowing on the value of your home.

**Remember: Many Canadians need more than their government or workplace pensions when they retire**

If you earn more than \$30,000 a year at your job, you will likely need other income sources if you want to keep the same lifestyle.