



## Total Compensation

Pension | Compensation | Benefits | Health and Well-Being

# Financial and retirement planning tools

This guide offers tools to help you better understand how retirement works and to help you start planning for your future today.

# Start planning your retirement today

## Early career

The sooner you begin to save, the more financially secure you will be in retirement.

Apply the “pay yourself first” principle and set up automatic deposits into your personal savings each payday.

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## Mid-career

It's the best time to develop your financial skills and learn more about your investment options. Take a course on personal finance at your local college. Use a retirement calculator to estimate your future income. A financial professional can help you understand your situation better.

Start thinking about what you want to do during your retirement: pursue a hobby, volunteer or work part-time. What can you do now to help you prepare?

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## Late career

It's time to pay attention to the details. Estimate your future income with a retirement calculator and participate in the pre-retirement webinar offered by Canada Post. Think about your retirement lifestyle and your projected expenses.

Will your retirement income match the lifestyle you want? If not, what can you change: work longer, save more, adjust your expectations, or consider part-time work?

Begin to enjoy the activities you want to do when you retire. It will help ensure a smooth transition to retirement.

## Your financial and retirement planning toolkit

### cpcpension.com – Retirement menu

- Find information about your retirement options, including

Defined benefit	Defined contribution
<ul style="list-style-type: none"><li>• The Pension calculator – to get an estimate of your pension benefit</li><li>• Tools and worksheets, such as the Retirement Planning Checklist</li></ul>	<ul style="list-style-type: none"><li>• Access to the Canada Life Retirement goal setting tool to help you reach your retirement goals</li><li>• Information about the Voluntary Savings Plan (VSP)</li></ul>

### Your information booklet

- Helps you understand your Canada Post pension plan
- Find it in your Enrolment kit or at **cpcpension.com**

### Personalized statement

Defined benefit	Defined contribution
<p><b>Mailed once a year and includes</b></p> <ul style="list-style-type: none"><li>• your accumulated pension benefits from the previous calendar year</li><li>• an estimate of your projected pension benefit</li></ul>	<p><b>Mailed at least once a year and includes</b></p> <ul style="list-style-type: none"><li>• your account balance</li><li>• tracking of your investment performance and your financial retirement goals</li></ul>

## Pre-retirement webinar

- Led by financial professionals and free of charge
- Present the value of your Canada Post pension plan
- Explain government pension programs and financial, legal and healthy lifestyle choices
- Show how to define your retirement goals

Defined benefit	Defined contribution
Online webinar by invitation only. You must be within 10 years of an unreduced pension. You may participate only once during your career.	Webinars provided by Canada Life on different topics for members of all ages and knowledge levels.

## **mycanadalifeatwork.com and smartpathnow.com**

- Online financial education
- Interactive tools and calculators
- Defined contribution members can log into **mycanadalifeatwork.com** and access personalized account information and the Retirement goal setting tool

## **Employee and Family Assistance Program (EFAP) at homeweb.ca**

- Helps you manage retirement planning and lifestyle changes through free assistance and consultation services provided by Homewood Health

## **servicecanada.gc.ca**

- Lists information on government pension programs
- Offers a calculator to help you estimate the income you may receive from CPP, OAS, GIS, employers' pension, RRSPs and other sources

If you work in Quebec, visit [rrq.gouv.qc.ca](http://rrq.gouv.qc.ca) and select “Our programs” for information on the Quebec Pension Plan (QPP).

**Financial Consumer Agency of Canada (FCAC)  
at [canada.ca/en/financial-consumer-agency.html](http://canada.ca/en/financial-consumer-agency.html)**

- Contains information and tools that make you more capable and confident about financial matters
- Offers a financial literacy quiz to evaluate your skills and give you resources for your personal financial needs

**Estate planning**

Having an estate plan for your legal and financial affairs ensures that your final wishes will be respected

You may decide to meet with a financial planner. You will be responsible for any associated costs.



# Financial and retirement planning facts

Recent reports suggest that many Canadians are not saving enough for retirement, even though they say they want to leave the workforce before age 60. The reality is that Canadians are living longer and spending more time in retirement.

## How much money do you need to retire?

It depends on how you want to spend your time in retirement. A number of financial planners estimate that you will need 60% to 80% of pre-retirement earnings to maintain a similar lifestyle after you retire.

A good place to start is to estimate how much you expect to receive from all your income sources.

## Your retirement income can come from three sources

Employer	Government	Personal savings
<ul style="list-style-type: none"><li>• Your Canada Post pension plan</li><li>• Other pension plans in which you participated</li></ul>	<ul style="list-style-type: none"><li>• Canada Pension Plan/ Quebec Pension Plan (CPP/QPP)</li><li>• Old Age Security (OAS)</li><li>• Guaranteed Income Supplement (GIS)</li></ul>	<ul style="list-style-type: none"><li>• Registered Retirement Savings Plan (RRSP)</li><li>• Tax-Free Savings Account (TFSA)</li><li>• Equity in home</li><li>• Non-registered investments and savings</li></ul>

## Personal savings are important

They can help you reach your desired retirement income.

### Example

Paul makes \$60,000 a year and plans to retire at age 65. He is planning for a monthly retirement income of \$3,500 per month in today's dollars, 70% of what he earns now. Paul expects his retirement income to come from these sources:

Employer pension plan (Canada Post and other)	Government programs		Personal savings	Total retirement income
	CPP	OAS		
\$1,600 <sup>1</sup> per month	\$1,204 <sup>1</sup> per month	\$626 <sup>1</sup> per month	\$70 <sup>1</sup> per month	\$3,500 <sup>1</sup> per month

Paul will need to have approximately \$12,000<sup>1</sup> in savings, in today's dollars, to receive \$70<sup>1</sup> per month starting at age 65.

### Saving early helps

The earlier Paul starts saving, the less he needs to put aside each month to reach his personal savings goal. Here is the difference time can make:

When savings begin	Monthly savings amount* to have \$12,000 by age 65
5 years before retirement	\$200 per month
10 years before retirement	\$85 per month
20 years before retirement	\$30 per month

<sup>1</sup> These numbers are used for illustration purposes only. CPP and OAS amounts are based on 2020 maximum benefits. The net rate of return is estimated at 5.75% per year and personal savings are not indexed for inflation.

## Questions about your pension?

### If you are a defined benefit member

Visit **cpcpension.com** or contact a Pension Centre representative at:

1-877-480-9220

1-866-370-2725 (TTY)

613-683-5908 (outside North America)

8 a.m. to 6 p.m. (ET) Monday to Friday

### If you are a defined contribution member

For questions and information about:

- Eligibility
- Contributions
- Life events

Visit **cpcpension.com** or contact AccessHR at 1-877-807-9090.

For questions and information about:

- Your personal investor profile
- Investment options, transactions
- Fund performance, account balances

Visit **mycanadalifeatwork.com** or contact Canada Life Call Centre at 1-866-716-1313.