

BUSINESS

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39% Of Canadians Don't Think They'll Ever Have Enough To Retire: RBC Poll

And almost half of non-retired Canadians don't have a plan to help them stop working.

By Jessica Chin



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Nearly half of all non-retired Canadians don't have a plan to build retirement savings, and nearly 2 in 5 (39 per cent) don't believe they'll ever have enough to stop working, according to a new poll.

The poll conducted by Ipsos for Royal Bank of Canada showed 45 per cent of Canadians are somewhat confident about their ability to save enough for retirement, and only 16 per cent are very confident.

Only 54 per cent of Canadians actually have a plan to save for retirement, though 32 per cent of Canadians say that plan is only in their head and not actually written down.

Across the country, two-thirds (66 per cent) of respondents have the same motivation for saving money: they want to retire debt-free.

On average, Canadians believe they'll need \$787,000 to retire, but provincial numbers vary widely. The average British Columbian believes they'll need \$1.07 million to retire comfortably, but Quebecers believe they'll need a more modest \$427,000.

Richa Hingorani, RBC's senior director of digital strategy, told HuffPost Canada said she's not sure how accurate those estimates are, since nearly half of Canadians don't have a financial plan for retirement.

"Without just knowing what your number is and where you want to get to, we don't think the confidence can really come in Canadians in saying 'yup, I'm building the nest egg that [I] want,'" Hingorani said.

To achieve their goals, nearly three-quarters (74 per cent) of respondents said they'd be willing to spend less on non-essentials, more than half (59 per cent) said they'd eat out less, and about a third (34 per cent) said they'd cut back on travel.

The likelihood of achieving your goals is just that much higher when you have it written down. Richa Hingorani, RBC

Hingorani said it's important to have a plan in place that you can regularly revisit.

"Coming back to your plan once every quarter is a good thing to do because it is not 'set it and forget it,'" she said.

"The likelihood of achieving your goals is just that much higher when you have it written down."

The numbers from the RBC poll align with other surveys conducted last year, including one in May 2018 that suggested a fifth of Canada's working baby boomers — those expected to retire soonest — have nothing saved for retirement.

The results were part of RBC's annual RRSP poll, conducted from Nov. 20-26, 2018 by Ipsos among 2,000 Canadians aged 18 and over. The poll used sampling and weighting to reflect Canada's population, and is accurate to +/- 2.2 percentage points.