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Feathering an empty nest

New phase of life can bring mixed feelings, including a sudden urge to plan for retirement

It's a savings cliché: save early, benefit from compound returns, retire well. But for those whose children have just reached independence, that aim may have been eclipsed by the financial reality of raising a family.

The good news is that the 10 years before retirement may in fact be the most important of all when it comes to creating financial well-being. As employment income tends to increase with each decade in the workforce, people in their 50s and 60s generally have more savings ability than at any other time in their life. Unless "lifestyle creep" has set in – the unfortunate tendency to live at or beyond one's income even as it increases – people in this demographic may find that their retirement dreams are still well within reach.

Before leaping into financial planning, however, it is essential that both couples and single parents use the time after their children leave home to begin to visualize the next stage of life.

Shirley Vollett, a certified life and relationship coach, says, "This time of life often provides more time, energy and freedom. There can be feelings of loss – but for others, there's a sense of relief. Spontaneity becomes an option again when schedules no longer revolve around children. There is often the sense of having completed a major, shared project, of having successfully launched your children."

For many, this is a time of questioning. "Dissatisfactions, concerns and issues may rise to the surface," says Ms. Vollett. "For people who have stayed connected during the child rearing years, this is an opportunity to enjoy each other even more. If there has been a growing distance, it can be an upsetting time."

There may be a "re-choosing" at this point, she says, as couples decide whether to recommit and reconnect or to move apart. For people who choose the former, the most important life-planning strategy is "Communicate, communicate, communicate." Times of transition are opportunities to dream, and to support each other in realizing those dreams, both near-future and into retirement.

Questions that come up, says Ms. Vollett, include 'Am I doing what I want to be doing? Am I satisfied with how I'm expressing myself in life?'

"There is a lot of inner change going on for the individuals, as well as within the relationship. It's really important that couples take advantage of having this extra time, and use it to let each other know what is going on inside and what new dreams might be emerging."



PHOTO: LYNN FALCONER

Vancouver-based certified life and relationship coach Shirley Vollett says empty nesters often realize benefits of more time, energy and freedom, yet some may also experience feelings of loss or relief. Author Robert Gignac says some empty nesters also come to the startling realization that they may not be as financially prepared for rapidly approaching retirement as they thought they would be.

Robert Gignac, co-author of *Rich is a State of Mind*, says that it is common for empty nesters to come to the startling realization that retirement is immediately ahead. "Prior to this, it's an abstract thing – now it's no longer on the horizon, but in the foreground. Sometimes they'll figure out that they're not necessarily in the financial position that they thought they would be in, which is a negative; but the flip side is, with parental duties being done at this point in time, they now have a lot more options available to them."

Hopefully, he says, the cash-draining effect of child rearing has ended. "Logic would suggest that once there is no more university tuition, and perhaps you've paid for a wedding or two, the financial burden should be alleviated somewhat. This provides the ability to take their additional cash flow and work on the retirement plan."

Many people have been so busy doing the 'family thing' that they need to take stock of where they are – financially as well as in their lives. "They really need to sit down, typically with a financial advisor, to find out where they are today." Finding an adviser that both individuals trust requires a process somewhat akin to dating, says Mr. Gignac. "There are many well-qualified advisers, but it has to be a relationship that feels right."

It's important to take a balanced approach, keeping all the elements of the life plan in view. "You've got a life side and a financial side: you've got more time for you

and your spouse, you've got time to pursue some hobbies. There may be travel you couldn't do before. It's also

time to update your wills and insurance, and to look at the estate plan.

"Many people are sur-

prised at how well they've actually done while they were busy doing everything else," says Mr. Gignac. ■

A checklist for retirement repair

Starting late? Here are some strategies to get your retirement goals back on track.

- Redefine 'retire.' A recent poll found that many Canadians plan to start their dream business after retirement.
- Save like you've never saved before. Redirect the money that went into raising children directly into your retirement savings portfolio; as soon as your mortgage is paid off, redirect an amount equivalent to your former payment into retirement savings as well.
- Talk to a certified financial planner about borrowing to catch up on unused RRSP room or using your home equity to create a non-registered investment portfolio.
- Simplify your life. By midlife, many successful people have realized that they're not defined by their home, car or toys. If so, downsizing can unlock equity in your home and free up cash with lower maintenance, heating and tax bills.

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If money is a topic that tends to create tension in your household, developing a retirement plan that accommodates the dreams and needs of both spouses can be challenging. A few key strategies can turn those conversations into opportunities for new intimacy and reconnection.

"If a couple is finding that these discussions are volatile or negative in tone," says certified relationship coach Shirley Vollett, "they probably would do well to engage the services of a professional." Depending on the nature of the problem, that might include seeing a financial planner and/or a relationship coach or marital counsellor.

For many couples, however, creating the right environment may be all that's needed. "Set aside a time when there are no distractions and when you can both come to the conversation in a calm way. You might want to discuss first: 'How can we have this conversation in a way that will feel comfortable and safe for each of us?' Develop a few ground rules around how to have the conversation together so that it stays constructive."