

Introduction

Canada is on the verge of a dramatic increase in the number of people reaching retirement. The first of the postwar baby boomers are now over 50. Over the next two decades, an unprecedented number of Canadians will reach the "normal" retirement age of 65. Many are already opting for early retirement.

The majority of retirees choose to spend the rest of their lives in Canada, often moving out of large urban areas to smaller regional centres; others opt for semi-retirement, staying active in their profession or trade on a part-time basis. However, a significant number decide to live in another country, either permanently or for part of each year.

Family or cultural ties are sometimes incentives to retirement

abroad. Since Canadians come from all parts of the world, there are few nations that are not potential destinations for retirement. Some of the countries that are Canada's major sources of immigrants are also the main retirement destinations. Lebanon, the United Kingdom, France and Germany are examples.

Those who retire abroad for other than family or cultural reasons tend to be clustered in countries that offer a combination of low after-tax living costs and a warm climate. In some cases, an existing Canadian expatriate community helps to mitigate the cultural isolation that can otherwise make life difficult. Countries in this category include Mexico, Costa Rica and some Caribbean island nations.

Before You Go

Reasons for Retiring Abroad

Retiring abroad holds many potential pitfalls for those who choose a destination on the basis of a dream rather than on that of sound planning. In general, those

who consider only the financial benefits of moving overseas are more likely to experience disappointment than those who retire abroad for lifestyle or cultural reasons. Whatever your motives, careful research is essential, and the availability of the Internet