



## Canadians: Should You Start Your CPP Pension at 60?

### Description

When you are approaching retirement, one of the trickiest things to do is figuring out when to take your Canada Pension Plan (CPP)

Most Canadians tend to retire at 65 or after, but CPP benefits can be availed as early as 60. However, retiring early also means a lower CPP amount that you can benefit from. But depending on your circumstances, it may be a better option to consider. Here's what you need to know.

### Retiring at 60

There are a lot of things to consider when choosing the right age to retire. If you start collecting your CPP benefits at 60, while your monthly income will be lower, there are also other factors to consider.

First is life expectancy. At age 74, a retiree who waited to receive benefits till age 65 will start exceeding the amount they collect compared to a retiree who took CPP at age 60. If you know you have good genes, don't suffer from a chronic disease, or don't work a physically demanding job, it would be better to wait to collect your benefits.

Otherwise, especially if you are on a limited income, it would be better to start benefiting from CPP early.

This will allow you to focus on keeping your health in an optimal condition free of work stress. Additionally, you will get to enjoy your retirement while you are in better shape physically.

### Boost your retirement income

Before deciding to retire, it is also essential to know exactly what amount you will be entitled to as part of your CPP. It is mostly dependent on how much you contributed over the course of your working years, with a maximum income of \$1,175.83 per month as of 2020.

Regardless of the amount, it is unlikely to cover more than the minimum of life expenses. To ensure a quality lifestyle, it is vital to hold an investment portfolio that generates steady passive income to complement your retirement benefits.

Given the low appetite for risk for old age, stocks you invest in should be dependable and safe but still give decent monthly payments. This is exactly why **Canadian Imperial Bank of Commerce** is a [great dividend stock to consider](#).

CIBC is one of Canada's largest banks and has an incredible streak of not missing out on a single payment to its investors since 1868. At its current dividend yield of 5.21%, an investment of \$60,000 yields \$260 of monthly passive income. This may not sound like much, but you are getting a reliable stream of extra income without any effort on your part.

## Summary

Currently, at a forward P/E of just 8.86, CIBC stock may be [undervalued at present](#), and investors choosing to invest in it right now may benefit from not only a nice dividend but also upside in the stock's value, as it rebounds to its intrinsic amount.

### CATEGORY

1. Dividend Stocks
2. Investing

### PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

### Category

1. Dividend Stocks
2. Investing

### Date

2025/08/27

### Date Created

2020/02/27

### Author

jhoang

default watermark