



## Millennials: You're Going to Have it Tougher Than Your Parents

### Description

The challenges are harder for millennials than their parents or Gen X and baby boomer generations. Born between 1981 and 1996, this group should be earning more than their forebears, given the many income opportunities. However, the real world is far different. It's [tougher to save money](#) to secure their financial futures.

Several factors are stifling millennials to get ahead. Even baby boomers are competition for career advancement. With the average life expectancy of 82.52 years in Canada, many from the older generation are not leaving the workforce. The baby boomers are delaying retirement because of continued financial responsibilities.

### Student debt

The biggest thorn is student debt. A college education is essential these days due to the arms race to obtain a job. Aside from skills, post-graduate education, whether from a college or university, gives you an advantage. Thus, millennials stay in school longer while carrying a financial burden.

### Easy access to credit

In the [consumer credit](#) market, millennials are borrowing at faster rates than their older counterparts. According to a 2018 TransUnion Canada report, credit growth is highest among Canada's younger borrowers. It appears that the millennials are replacing the baby boomers that are exiting the credit market.

Millennials are susceptible to creating mountains of debt due to easy access to credit in the digital age. The lack of credit management skills is driving delinquency rates higher.

### High property values

Starting a family will have to wait for millennials. Buying a property is a life milestone, except that property prices are steadily rising. Even with the low interest rate environment, millennials can't afford to purchase property. Disposable income is lower due to outstanding student and consumer debts.

Millennials comprise the largest component of Canada's labour force. If you have a steady job and zero or low level of debt, try to set aside money for investing. Don't miss out on the opportunities to build wealth during your most productive years. You can fulfill your dreams and retire happy with your family.

## Build wealth

**Great-West Life** ([TSX:GWO](#)) can be your insurance for the future. The stock is a Dividend Aristocrat that pays a 6.65% dividend. If you have \$20,000 to invest today, the income you will generate is \$1,330. Hold it for 20 years, and your capital will grow to \$72,484.84 due to the compounding effect.

The \$24.4 billion financial holding company is insurance centred and has been operating since 1891. **Power Corporation of Canada** indirectly controls 70.89% of the company's common shares. Great-West has approximately \$1.7 trillion assets under administration. The company serves the markets in Canada, Europe, and the United States.

In Q2 2020, the company delivered strong commercial results. Net earnings went up 88.02% to \$863 million versus the same period in 2019. In the domestic market, net earnings climbed 26.07% to \$353 million. At the current share price of \$26.31, Great-West is a steal. Analysts forecast a 29.23% appreciation in the next 12 months.

## Dream big

Millennials have every reason to worry about the future. However, if this unique generation can set priorities right, they can dream big. The odds are surmountable. It would be best if you were resourceful to overcome them.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. TSX:GWO (Great-West Lifeco Inc.)

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