



## Retirees: Forget About Vancouver and Toronto! 2 Cities That Are Way Cheaper

### Description

Retirement decisions for Canadians are harder today with the way COVID-19 is disrupting everyday living. The [primary consideration](#) for soon-to-be retirees is the cost of living. Housing costs would probably take the most significant chunk of retirement income, although healthcare and food expenses could also impact the budget.

Big metropolitan and bustling cities like Vancouver and Toronto are the top destinations for young professionals, foreign workers, and immigrants due to better job opportunities. Unfortunately, the big city life isn't ideal for retirees anymore. If you were to relocate or downsize, Calgary and Halifax are less-expensive places to retire.

### Cost considerations

Housing prices in Vancouver and Toronto are ridiculously high due to the staggering price growth in 2020. The average home price ranges from \$960,000 to \$1 million, which isn't affordable to the average retiree. In Calgary (\$518,237) and Halifax (\$433,000), the current home prices are below the national average of \$621,525.

Healthcare costs in Canada are manageable, because its publicly funded healthcare system provides up to 70% of coverage to all citizens and permanent residents. Since the government regulates medicine prices to curb inflation, Canadians pay much lower medicine prices.

Food and grocery prices in Canada are increasing since the pandemic. There could be supply shortages if the country needs to import certain foods from the U.S., Mexico, and other trading partners. Food importations are usually highest from November to May or the cold months. Logistics costs could also increase prices.

Lastly, retirees need to factor in expenses for utilities, transportation, and entertainment. Calgary is among the most populated cities, but the cost of living and property taxes are relatively low. Winter is milder in Halifax, and the climate is generally humid. Retirees can do plenty of outdoor activities.

## Evergreen income

Retired and employed Canadians face the same challenge of making ends meet. It could be more challenging for retirees, because no more paychecks are coming. While pensions are for life, they may not be enough to cover all your financial needs. People with savings can use the money to invest in Canada's vibrant stock market.

There are risks in stock investing, but blue-chip companies can provide pension-like income regardless of the market environment. **Royal Bank of Canada** ([TSX:RY](#))([NYSE:RY](#)) is a time-tested income provider to loyal investors. Suppose you were to invest today. RBC pays a 3.94% dividend.

Canada's largest bank is a dream investment because of its financial strength and ability to weather the harshest economic downturns or recessions. The \$156.21 billion bank is one of the select [evergreen options](#) in the TSX. It means you can buy the bank stock today, keep it for good, and never sell.

RBC is taking hits from the massive industry headwinds and bankruptcies of some clients, but the bank will endure. The dividend track record is no less than 15 decades and could last another 15 decades.

## New possibilities

Retirement affords new possibilities to Canadians ending their nine-to-five routines. However, financial resources largely dictate a retiree's lifestyle. Relocating to cheaper cities is just one way to cut retirement costs, especially if you have modest retirement income.

There are other money-saving strategies if you want to make sure you don't outlive your retirement fund. They can likewise reduce expenses without sacrificing the quality of life.

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