

# How To Financially Prepare Yourself For A Midlife Career Change

## Midlife Career Change Financial Prep Checklist

- Review your current financial baseline
- Estimate the full cost of your transition
- Build a 3–6 month financial buffer
- Reduce fixed expenses before switching
- Upskill while still employed
- Test income streams before leaving your job
- Plan for benefits (health, dental, retirement)
- Create a 12-month transition budget
- Understand tax implications
- Explore Canadian retraining programs
- Build a realistic timeline
- Prepare for slower months during the transition

# Transition Budget Template

## 1. Income

- Current monthly income
- Expected income during transition
- Expected income after transition

## 2. Savings

- Emergency fund balance
- Target buffer (3–6 months)
- Monthly savings goal

## 3. Career Change Costs

- Courses or certifications
- Books, software, equipment
- Licensing or exam fees
- Transportation or childcare

## 4. Monthly Essentials

- Housing
- Utilities
- Groceries
- Transportation
- Insurance

## **5. Variable Expenses**

- Eating out
- Subscriptions
- Entertainment
- Clothing

## **6. Buffer for Slower Months**

- Amount set aside
- How long will it last

## **7. Summary**

- Total monthly expenses
- Total income
- Gap or surplus
- Adjustments needed

# Canadian Programs That Support Midlife Career Changes

## Employment Insurance (EI)

If you leave your job due to restructuring or health reasons, EI can support you while you retrain or job search.

## Second Career Program (Ontario)

Helps mid-career workers retrain for in-demand fields. Covers tuition, books, transportation, and basic living expenses.

## Canada Training Credit (CTC)

A refundable tax credit that helps cover eligible training fees. You accumulate \$250 per year, up to \$5,000.

## Lifelong Learning Plan (LLP)

Allows you to withdraw up to \$10,000 per year from your RRSP (up to \$20,000 total) to fund full-time education.

## Provincial Programs (WorkBC, Alberta Works, etc.)

Each province offers retraining grants, job placement support, and career counselling.

## Tax Deductions for Education

Many training costs are tax-deductible if they relate to improving your skills or preparing for a new job.