



FACTUM

Living for Today, Not Tomorrow: Majority (54%) Do Not Have A Financial Plan for Retirement.

The Pandemic Has Exacerbated the Situation, Impacting the Retirement Timelines of as Many as One in Four (23%) Non-Retirees.

Toronto, Ontario, September 29, 2021 — An Ipsos survey conducted on behalf of the Canadian Institute of Actuaries reveals that over half (54%) of Canadians do not have a financial plan for retirement, a figure which includes three in five (59%) non-retirees and as many as two in five (39%) retirees who are currently retired. What's more, a majority (54%) of non-retirees aren't sure when they plan to retire (40%) or say they will never retire at all (14%), figures which suggest many are not thinking enough about retirement and their later years. Some retirees may even be guilty of this as well, with as many as one in five (19%) reporting that they have less than \$25k in savings and investments in retirement.

Indeed, the survey offers evidence that most have not thought enough about their later years, with two-thirds (67%) admitting they have done nothing in terms of planning for long-term care needs. Considerable proportions (37%) do not own any of the following types of insurance: life, disability, critical illness, or long-term care. And yet just three in ten (30%) older Canadians (aged 45+) would describe their overall health as being very good or excellent, suggesting that more might need to be thinking about this. Views of long-term care are not particularly good, as a majority (55%) rate its quality as being fair to poor, with nearly half feeling this way about its availability (47%) and affordability (49%). The COVID-19 pandemic has not helped, as two-thirds (63%) claim to now hold more negative views of assisted living facilities thanks to the pandemic.

The results of this survey suggest that many do not hold realistic expectations, when it comes to their later years, as only about one in three (31%) think they are likely to experience a physical or mental disability later in life. Research done by the Canadian Institute of Actuaries finds that nearly half (47%) of those aged 75+ can be classified as having some form of physical or mental disability.

The survey offers a plethora of evidence that many Canadians are grossly unaware and unprepared for retirement and their later years. The COVID-19 pandemic has exacerbated the situation for many, particularly non-retirees who are still in the workforce. As many as one in four (23%) non-retirees (or those whose spouse who is not retired) indicate that the pandemic has impacted their (or their spouse's) retirement timelines, most (69%) of which say they (or their spouse) will now have to work longer than planned to continue receiving income. Overall, more than one in three (36%) report earning less household income due to the COVID-19 pandemic and one quarter (25%) have taken on additional debt in response to the pandemic.



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About the Study

These are some of the findings of an Ipsos poll conducted between July 17th and August 12th, 2020 on behalf of the Canadian Institute of Actuaries. For this survey, a sample of n=1,529 Canadians aged 18+ were interviewed online. Included within this sample is an oversample of Canadians aged 55+. This group was oversampled as they represent the segment most likely to be retired or in a pre-retirement mindset. Weighting was then employed to balance demographics to ensure that the sample's composition reflects that of the adult population according to Census data and to provide results intended to approximate the sample universe. The precision of Ipsos online polls is measured using a credibility interval. In this case, the poll is accurate to within ± 2.9 percentage points, 19 times out of 20, had all Canadians aged 18+ been surveyed. The credibility interval will be wider among subsets of the population. All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error, and measurement error.

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