

In late spring of 2019 the Healthcare of Ontario Pension Plan (HOOPP) commissioned Abacus Data to conduct a public opinion survey of 2,500 Canadians gauging their feelings of retirement preparedness, their views on workplace pensions and the implications of decreasing pension coverage. The survey builds on previous HOOPP research and sheds new light on Canadians' concern over their retirement.

What Canadians think

Most Canadians are without a workplace pension plan and many lack any retirement savings. Pension anxiety ranks as highly as present-day cost of living challenges.

- ▶ Only 44% have access to a workplace pension plan today. 56% do not. Of those who do not have a workplace pension, half (49%) have saved nothing at all for retirement.
- ▶ Canadians are nearly as concerned about having enough money in retirement (75%) as they are about their present day cost of living (82%), and more concerned than they are about their mental health (59%), current personal debt (55%), or government debt (64%).

Most Canadians recognize that workplace pension access and quality are in decline and say that this will reduce the quality of life and hurt the economy.

- ▶ 57% of Canadians believe the number of workplaces offering pensions has declined from 20 years ago. Four times as many Canadians believe pension coverage is getting worse (40%) than better (10%) in their province.
- ▶ 77% even go so far as to agree there is an “emerging retirement income crisis.”
- ▶ 81% believe the shrinking of workplace pension coverage will reduce the quality of life for Canadians.
- ▶ 76% say the shrinking of workplace pension coverage hurts the economy.

What Canadians want

Various data points in the survey stress that the preference for the vast majority of Canadians is to have a pension plan over other payment arrangements. Their responses to several trade-offs make it clear – when presented with the choice, 8 out of every 10 Canadians would rather:

- ▶ have a better (or any) pension plan over a higher salary.
- ▶ employers make direct contributions to a retirement plan instead of providing that money as salary.
- ▶ have a pension that pays out an amount based on what they earned while working instead of one based on market performance or the financial success of the employer.

The question of bolstering retirement security for Canadians goes beyond practicality for most. Canadians consider retirement security a right and believe that companies can afford to offer workers good pensions regardless of economic conditions.

- ▶ 86% agree all workers should have a pension that guarantees a percentage of their working income in retirement.
- ▶ 78% believe there is a moral obligation to ensure children today have pensions of the same coverage and quality their parents and grandparents had.
- ▶ 73% believe that regardless of economic conditions, companies could afford to offer workers good pensions if they wanted to.

Government is seen as part of the solution to improving the workplace pension landscape by modernizing regulations and encouraging efficient pension plans.

- ▶ 83% believe government should modernize regulations to allow for more innovative pension plans and savings arrangements.
- ▶ 76% believe governments can save money by supporting pensions that are more affordable.

These results present a clear call to action to policymakers to enhance retirement affordability. Canadians see the problem, understand its impacts, believe that an affordable retirement can be achieved, and want government to collaborate on a solution. In our view, the public is very receptive to an agenda that seeks to expand access to workplace pensions.

This memorandum is based off a survey conducted online with 2,500 Canadians aged 18 and older from May 17 to 30, 2019. The margin of error for a comparable probability-based random sample of the same size is +/- 1.96%, 19 times out of 20. The data were weighted according to census data to ensure that the sample matched Ontario's population according to age, gender, educational attainment, and region.