



In the spring of 2020, the Healthcare of Ontario Pension Plan (HOOPP) commissioned Abacus Data to conduct a public opinion survey of 3,500 Canadians to gauge their feelings about their own retirement preparedness, as well as their views on workplace pensions and the implications of decreasing pension coverage. Last year, we learned that Canadians are thinking long-term when it comes to retirement security – for themselves and for Canadians more broadly. This year’s findings show that personal and societal concerns around retirement security are remarkably strong even during the COVID-19 pandemic.

I. COVID-19 has hurt Canadians’ financial security.

There is no question that COVID-19 has negatively impacted the personal financial situations of many Canadians. More than half (57%) of Canadians indicated their financial situation has been harmed since the pandemic began, up 10 points from when Abacus Data asked the same question in April 2020. Here are other interesting findings from the survey:

- ▶ 62% are concerned about the value of their investments and savings as a result of COVID-19.
- ▶ More Canadians are worried about their retirement security (55%) than their job security (44%).

II. Demand for better retirement security is resilient.

Amid the immediate negative financial impacts of COVID-19, the findings show Canadians are still thinking about the bigger picture. The desire for Canada to do more on retirement security and the need to see greater access to affordable pensions remain strong. Here are other key findings of the survey:

- ▶ 72% agree there is an emerging retirement income crisis, which is in line with levels measured in 2019. This concern spans demographics.
- ▶ 84% believe it is in everyone’s interest for more people to have better retirement savings. This view is not unique to a particular group. It spans high-income and low-income earners, political affiliations, and those with and without a pension.
- ▶ A very strong majority also believe that all workers should have access to affordable retirement savings arrangements (86%) and efficient retirement savings arrangements (86%).

III. Canadians are concerned about the long-term impacts of pension erosion.

Canadians have observed the erosion of workplace pension plans, and they are concerned about the effects on individuals, the economy and public funds:

- ▶ 82% agree that without good pensions many Canadian seniors will experience poverty.
- ▶ 77% believe that without good pensions the economy will suffer.
- ▶ 76% are concerned that if workers are unable to access good workplace pensions and contribute during their working lives, they will eventually become a burden on the taxpayer.
- ▶ 76% said companies have a responsibility to offer pensions that provide adequate retirement income.
- ▶ 58% felt that paying for a person's retirement with a pension is less costly than paying for it with a government program.

As for what kind of pension and retirement savings arrangements Canadians value most:

- ▶ 78% said that applying reasonable deductions to their pay is an effective way of helping Canadians pay for retirement.
- ▶ 82% said that all workers should have a pension that guarantees a percentage of their working income in retirement.

IV. Canadians are willing to make sacrifices now for future retirement security.

In addition to a belief in the greater social good of pensions, the personal preferences of Canadians remain the same. When we asked Canadians how they would choose between scenarios where they can opt for more money and no pension security or less money and more pension security, we learned:

- ▶ 79% would rather their employer make pension contributions than receive that money as salary. Remarkably, this percentage was the same, even for Canadians who said their finances were negatively impacted by COVID-19 “a great deal.”
- ▶ 74% would accept a slightly lower salary in exchange for a better (or any) pension plan.

V. Conclusion

These results send a clear message that Canadians want better retirement affordability. Amid a global pandemic and the immediate financial strains associated with it, Canadians are still looking at the big picture and thinking long-term regarding retirement security. They see the problem, understand its impacts, and believe that an affordable retirement can be achieved.

Taken all together, this research shows that the public is very receptive to an agenda that seeks to expand access to workplace pensions.

These findings are based on a survey conducted online with 3,500 Canadians, ages 18 and older, from May 27 to June 5, 2020. The margin of error for a comparable probability-based random sample of the same size is +/- 1.63%, 19 times out of 20. The data were weighted according to census data to ensure that the sample matched Canada's population according to age, gender, educational attainment and region.