

**CANADIANS SEE  
INFLATION & HIGHER  
RATES ON THE HORIZON**

**ONLY HALF ARE ABLE TO  
SAVE MONEY EACH MONTH**

**MORE ARE SAVING  
FOR RETIREMENT**

**ABACUS DATA**

DETAILED RESULTS

# CANADIAN RETIREMENT SURVEY

APRIL 2022

CONDUCTED FOR HOOPP

RESEARCH AND ANALYSIS FROM CANADA'S LEADING PUBLIC AFFAIRS  
AND MARKET RESEARCH EXPERTS

# METHODOLOGY

The preliminary survey results were conducted with 1,716 Canadians from April 21 to 27, 2022. A random sample of panelists were invited to complete the survey from a set of partner panels based on the Lucid exchange platform. These partners are typically double opt-in survey panels, blended to manage out potential skews in the data from a single source.

The margin of error for a comparable probability-based random sample of the same size is +/- 2.35%, 19 times out of 20. The margin of error will be larger for data that is based on sub-groups of the total sample.

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. Totals may not add up to 100 due to rounding.

# EXECUTIVE SUMMARY

## I. CANADIANS ARE GROWING INCREASINGLY CONCERNED ABOUT DAY-TO-DAY COST OF LIVING IMPACTING THEIR ABILITY TO SAVE FOR RETIREMENT

Concern about day-to-day cost of living has grown significantly in the last year (+11 points) and is the leading concern among Canadians (66% very concerned). They expect rising interest rates and inflation will cause their day-to-day expenditures to become less affordable (88%) and impact their ability to save for retirement (85%). While these financial pressures are widespread among Canadians, the situation for those under 35 years old is particularly troubling. The impact of these differences on younger Canadians signals a generational divide that is being compounded by economic conditions. (“Very concerned” means a rating of 7-9 on a scale of 1 to 9.)

- 32% of Canadians currently describe themselves as ‘falling behind’ (in terms of their standard of living), which grows to 47% if inflation continues to rise; 63% agree they will be forced to push out their retirement date if inflation continues to rise.
- Compared to Canadians over 35, those younger than 35 (18-34) are less likely to own a home (47% versus 67%) or have savings over \$5,000 (54% versus 61%).
- 29% of Canadians under 35 say that if inflation continues rising, they will likely have more debt in the next six months; 83% agree they will be forced to push out their retirement date.

# EXECUTIVE SUMMARY (cont'd)

## II. CAPACITY TO SAVE IS DISSOLVING FOR WORKING CANADIANS, ESPECIALLY FOR THOSE UNDER 35

Almost three quarters of Canadians (72%) say that saving for retirement is prohibitively expensive (+7 points since 2021). If inflation continues to rise, one third of Canadians will not have much money to save and one quarter will have no money to save. Among working Canadians, one third have never set aside any money for retirement due in part to cost of living pressures.

- 38% of workers have not set aside any money for retirement in the last year and living paycheck to paycheck continues to be the top reason (42%).
- 35% of workers under 35 have never saved anything for retirement compared to 30% of workers over 35.

# EXECUTIVE SUMMARY (cont'd)

## III. INFLATION AND HOUSING AFFORDABILITY CONCERNS FOR ALL CANADIANS, ESPECIALLY FOR THOSE UNDER 35

Over half of Canadians (56%) are concerned about housing affordability, with inflation adding further strain. Most non-homeowners are worried about what interest rates will do to their ability to buy a home (58%); an equal proportion of current homeowners are worried about what it will do to others' ability to buy their home when they want to sell and help fund their retirement. Furthermore, with high interest rates impacting younger Canadians' ability to take on more debt and reduce their existing debt, they see home ownership as a less viable means for saving for retirement than previous generations.

For Canadians under 35:

- 63% are very concerned with housing affordability, at significantly higher levels than those aged 45 and older (54%).
- Only 47% own a home compared to 67% who are aged 35 and older.
- 75% are worried about the impact of interest rates on their ability to buy a home, with an equal proportion worried about their ability to afford current/future mortgage payments.
- 91% indicate that rising interest rates have a big impact on their ability to take on more debt with 88% also indicating that they have a big impact on their ability to reduce their existing debt.
- Only 39% say getting into the housing market early is considered an effective way to save for retirement.

# EXECUTIVE SUMMARY (cont'd)

## IV. CANADIANS RECOGNIZE THE PERSONAL VALUE OF PENSIONS

Canadians of all generations recognize that a pension is a very effective vehicle to save for retirement and they're willing to pay for it despite financial strain; those with pensions feel better insulated from current and future economic conditions.

- 66% of Canadians would rather have a lower salary and a pension (or better pension) than a higher salary with no pension (or worse pension). While older Canadians who are closer to retirement are, predictably, more likely to take the pension over the salary, half of young workers under 35 still choose the pension over salary.
- Young workers understand the value of pensions. Among those under the age of 35, 'finding a job with a defined benefit pension plan' is considered the most effective way to save for retirement.
- 70% of Canadians without a pension say rising inflation will reduce their ability to save enough money compared to only 45% of those with a pension.
- 38% of Canadians without a pension say they are 'falling behind' while only 25% of those with a pension say the same.

# EXECUTIVE SUMMARY (cont'd)

## V. CANADIANS RECOGNIZE THE SOCIETAL VALUE OF PENSIONS

As Canadians increasingly agree that there is an emerging retirement crisis (75%, +7 points since 2021), they continue to understand the societal benefits of pensions. The value of pensions is evident and is seen as a remedy to this developing crisis; however, the accessibility of pensions for many Canadians continues to be a challenge. Only 13% of those without a workplace pension think it is likely they will receive a pension while 58% think it is unlikely they will ever get one.

Across the age brackets, three quarters of Canadians agree that:

- Without good pensions in place, the economy will suffer (77%).
- If workers cannot access good workplace pensions and contribute during their working lives, they will become a burden on the taxpayer (77%).
- All employers should be required to contribute in some way towards pensions for all workers (77%).
- They have a moral obligation to ensure their children have pensions like their parents and grandparents had (76%).

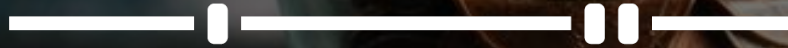


# ECONOMIC CLIMATE

**ABACUS DATA**



**HOOPP**



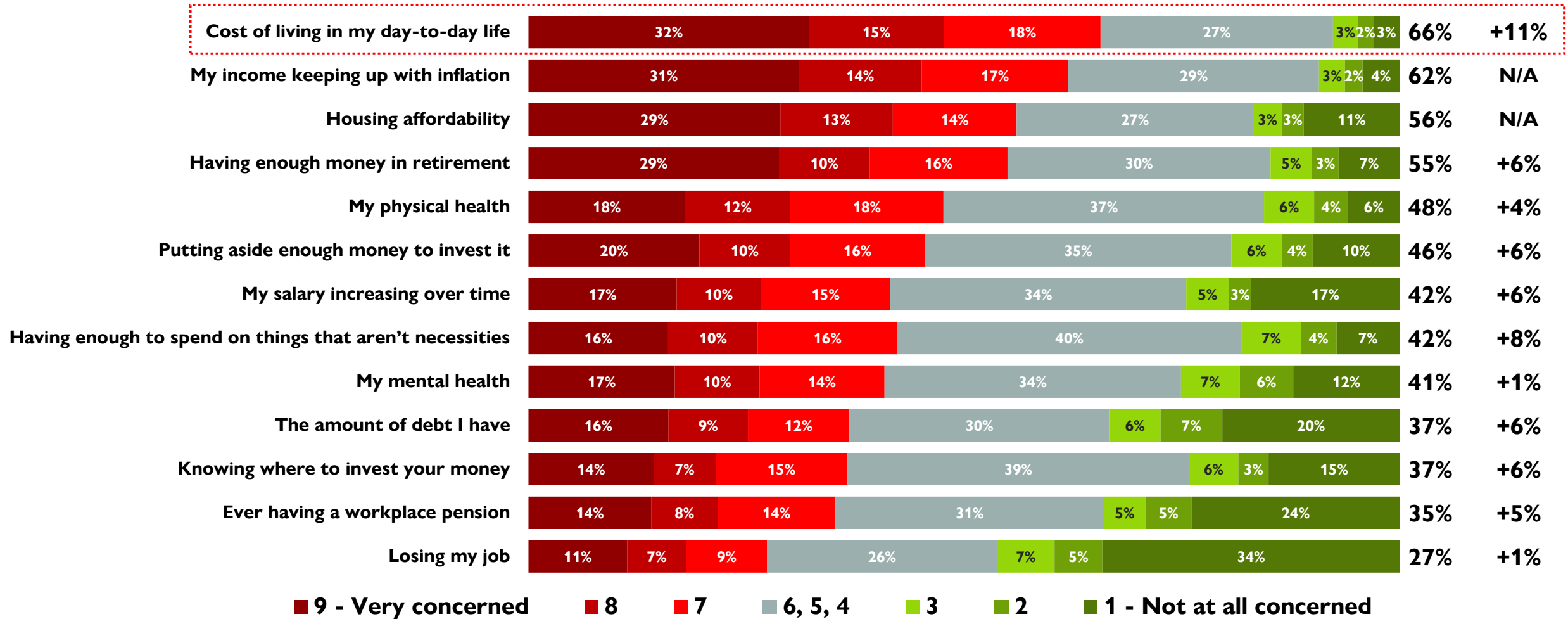


# Concern about day-to-day cost of living is now the top concern among Canadians, up significantly over the last year

## WHAT CONCERNS CANADIANS?

Top 3 Rating (out of 9)

2022 Change from 2021



How would you rate your concern about each of the following for you, personally, on a scale of 1-9, where 1 means you are not at all concerned about it and 9 means you are very concerned about it? Base: Total Sample (n=1,716)



# Concern about housing affordability, discretionary income, knowing where to invest and potential job loss are higher among young adults compared to older Canadians

## What concerns Canadians?

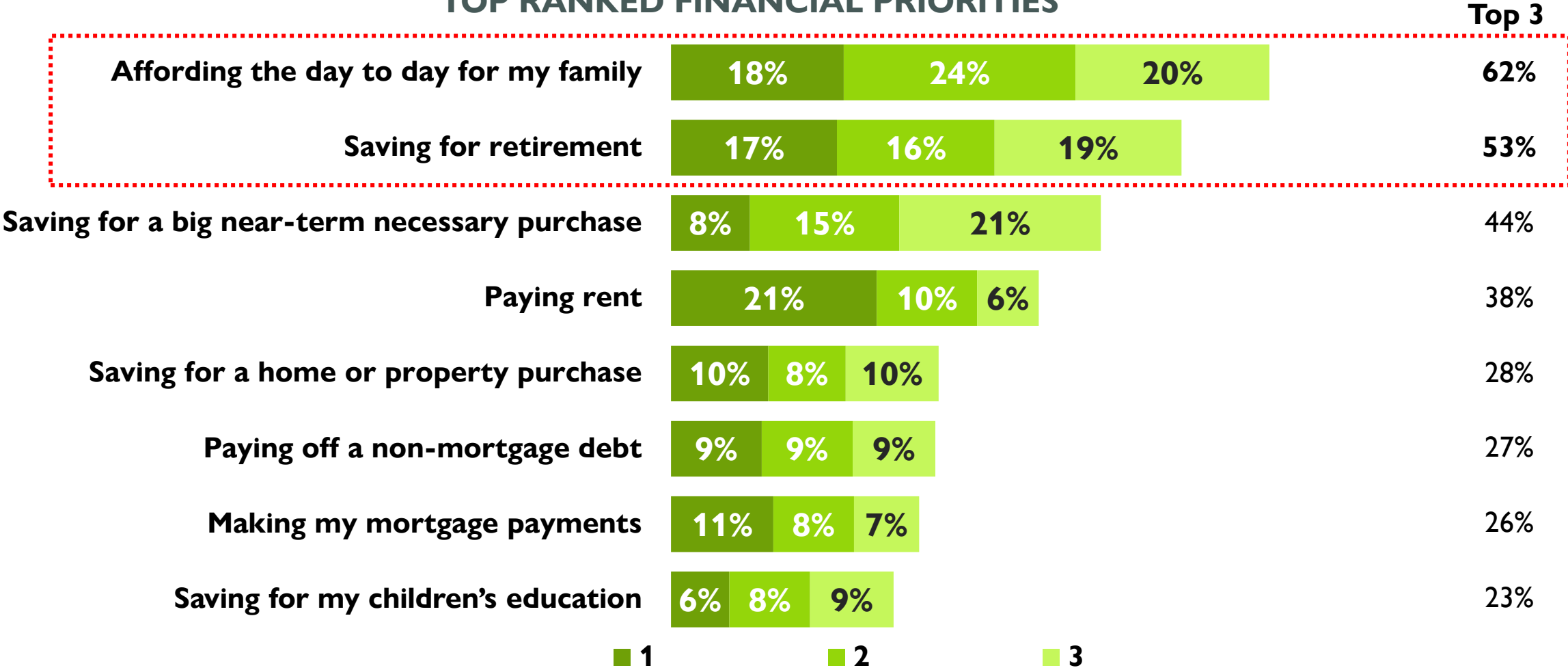
Top 3 Rating (out of 9)

	18-34	35-54	55-64	65+
Housing affordability	63%	59%	53%	45%
Cost of living in my day-to-day life	62%	66%	72%	64%
My income keeping up with inflation	59%	64%	66%	59%
My mental health	53%	47%	31%	25%
Having enough money in retirement	53%	60%	59%	46%
Putting aside enough money to invest it	51%	50%	42%	33%
My physical health	50%	48%	43%	48%
Having enough to spend on things that aren't necessities	48%	43%	40%	35%
Ever having a workplace pension	44%	40%	32%	19%
Knowing where to invest your money	45%	39%	34%	25%
My salary increasing over time	46%	48%	38%	28%
The amount of debt I have	44%	44%	31%	22%
Losing my job	41%	34%	17%	9%

How would you rate your concern about each of the following for you, personally, on a scale of 1-9, where 1 means you are not at all concerned about it and 9 means you are very concerned about it? Base: Ages 18-34 (n=461); 35-54 (n=579); 55-64 (n=321); 65+ (n=354)

# Affording the day-to-day for family is the top ranked financial priority, followed by saving for retirement

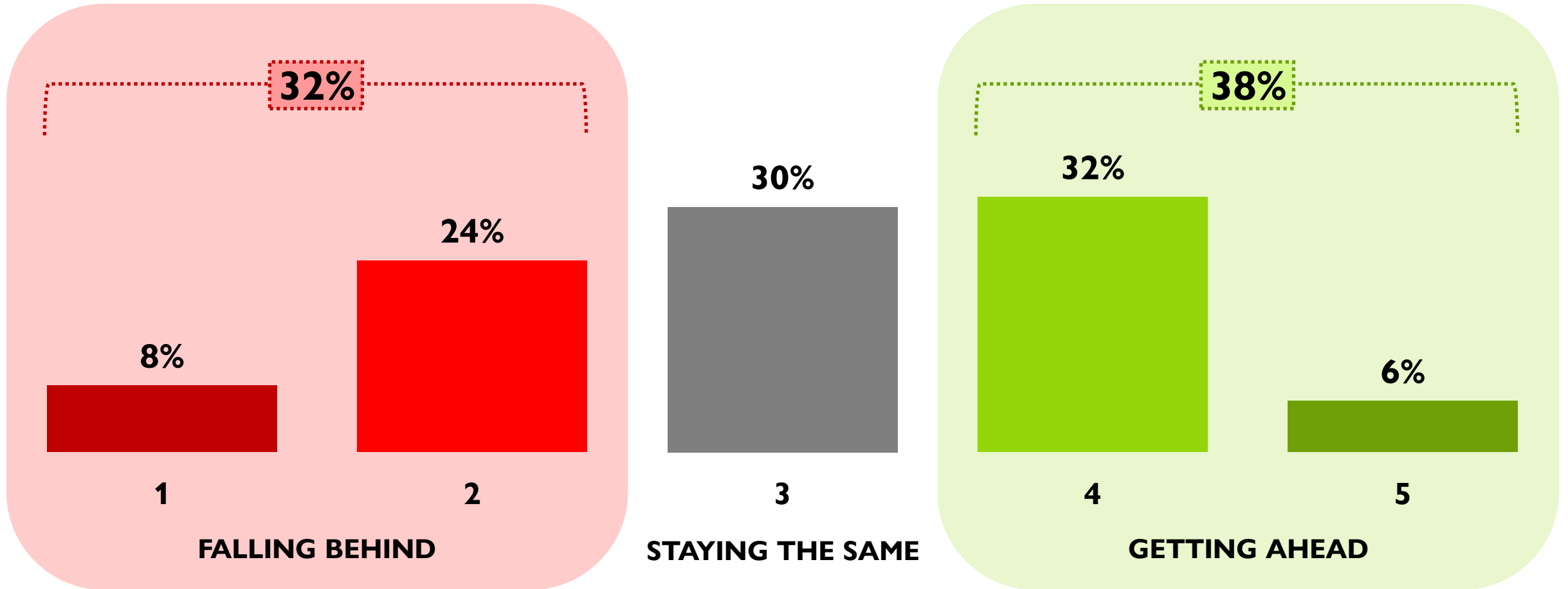
## TOP RANKED FINANCIAL PRIORITIES



Which of the following would you assess as your current financial priorities? By this we mean priorities you are currently working towards right now, not areas you think you should be working towards or would like to be working towards when able. Base: Non-retired (n=1,262)

# Two in five Canadians describe their current standard of living as 'getting ahead', while one-third say they are 'falling behind'

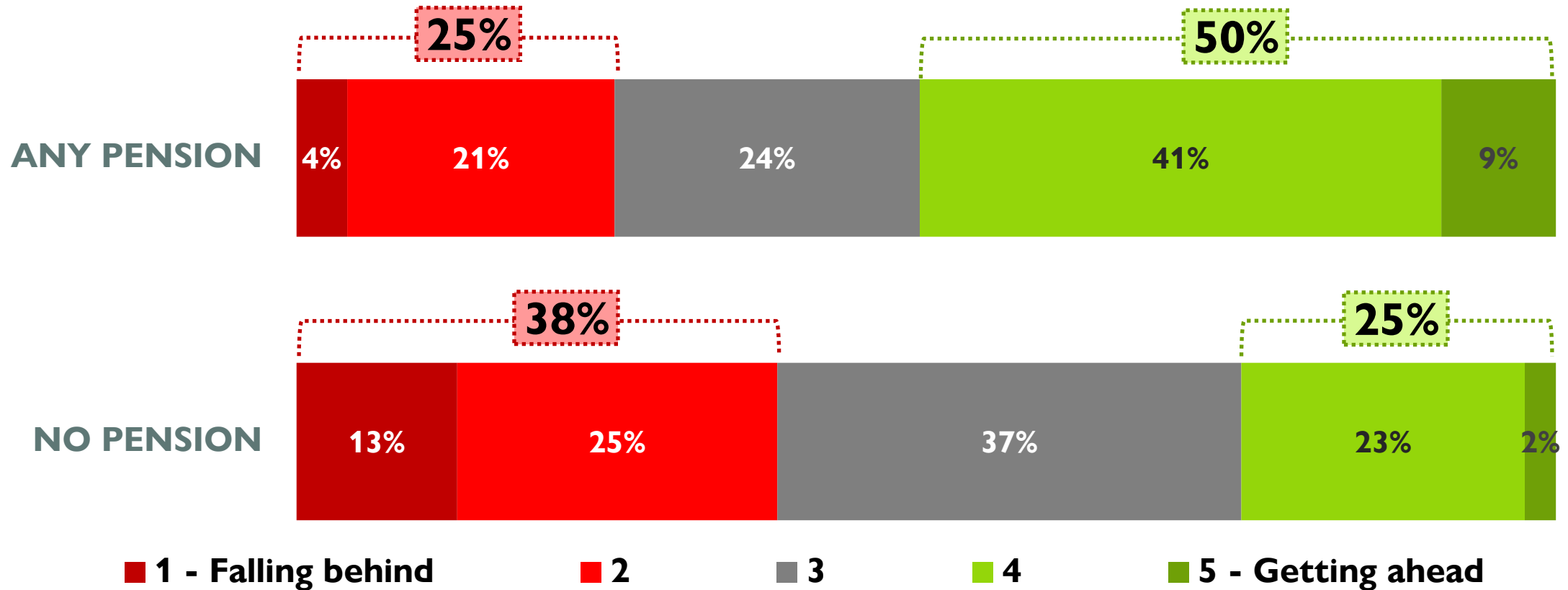
## CURRENT STANDARD OF LIVING



Thinking about your current standard of living, how would you describe your situation on a scale from 1 to 5, where 1 means you are falling behind and 5 means you are getting ahead? Base: Total Sample (n=1,716)

# Those without a pension are more likely to claim they are 'falling behind' compared to those with a pension

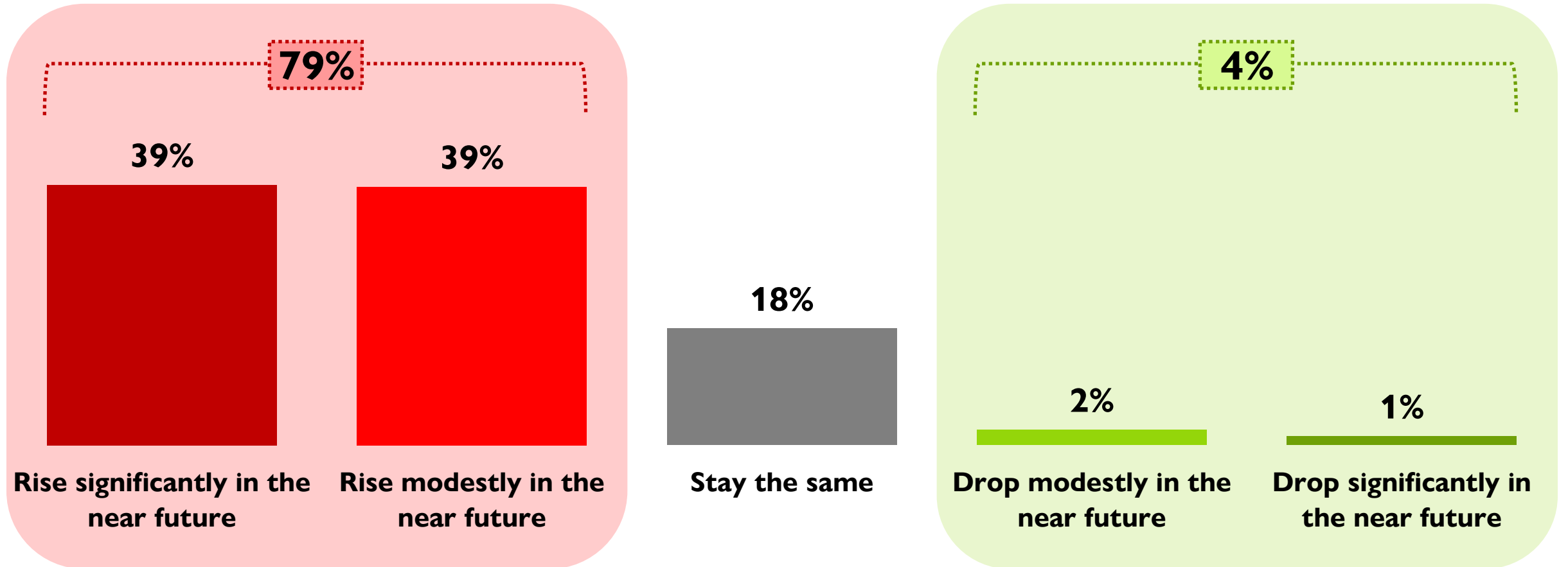
## FALLING BEHIND OR GETTING AHEAD?



Thinking about your current standard of living, how would you describe your situation on a scale from 1 to 5, where 1 means you are falling behind and 5 means you are getting ahead? Base: Any pension (n=916); No pension (n=563)

# The vast majority of Canadians expect interest rates to rise

## EXPECTATIONS FOR INTEREST RATES



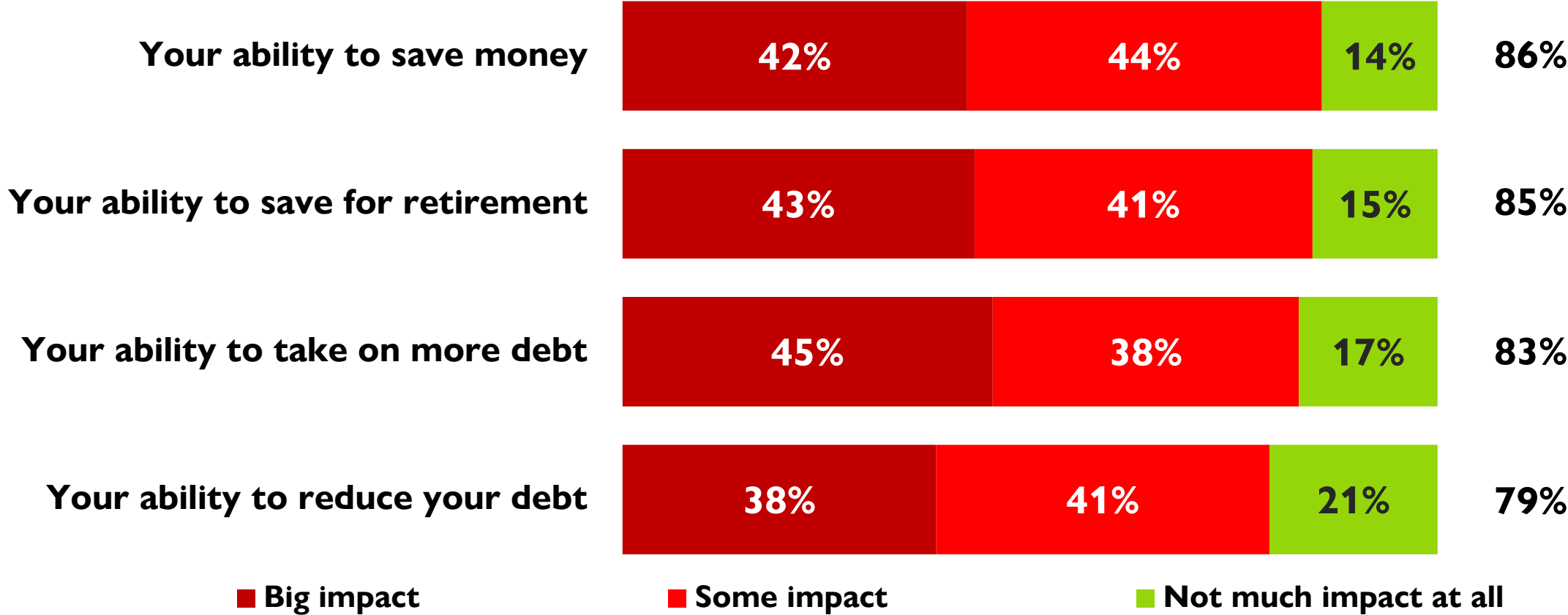
What do you think will happen to interest rates in the near future? If you didn't know, interest rates are the fees you pay to your bank or credit card company for the amount of money you borrow when you use credit or take out a loan.

14 To the best of your knowledge, are interest rates set to... Base: Total Sample (n=1,716)

# There is consensus that rising interest rates will have an impact on ability to manage savings and debt

## IMPACT OF HIGHER INTEREST RATES ON...

**BIG + SOME IMPACT**



If interest rates were to rise significantly in the near future, would this have a big impact, some impact, or not much impact at all on... Base: Non-retired (n=1,262)

# Under 35s are more likely to be impacted by rising interest rates than older groups

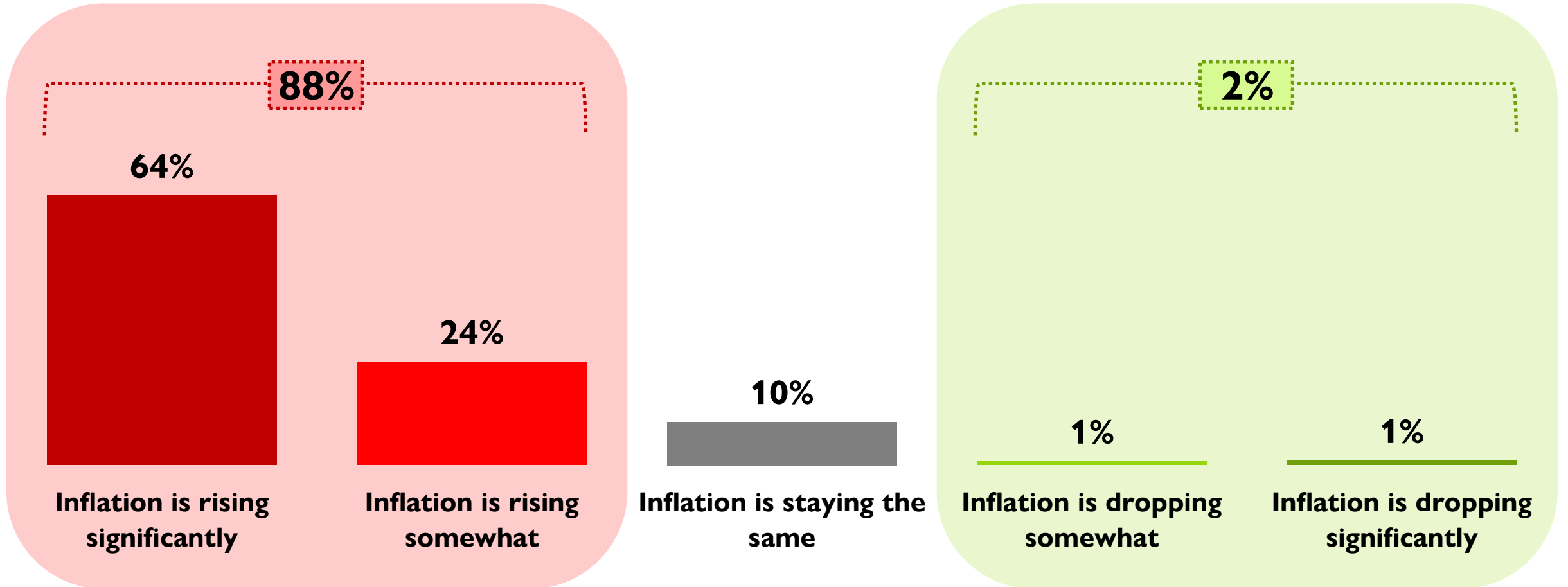
<b>Impact of Higher Interest Rates On...</b> <i>Big + Some Impact</i>	<b>18-34</b>	<b>35-54</b>	<b>55-64</b>	<b>65+</b>
<b>Your ability to save money</b>	<b>91%</b>	84%	65%	53%
<b>Your ability to save for retirement</b>	<b>88%</b>	81%	59%	48%
<b>Your ability to take on more debt</b>	<b>91%</b>	86%	76%	68%
<b>Your ability to reduce your debt</b>	<b>88%</b>	85%	76%	56%

If interest rates were to rise significantly in the near future, would this have a big impact, some impact, or not much impact at all on...  
 Base: Not retired & 18-34 (n=389); 35-54 (n=604); 55-64 (n=209); 65+ (n=68)



# The vast majority recognize that inflation is on the rise

## EXPECTATIONS FOR INFLATION



And what is your sense of what is happening with inflation? If you didn't know, inflation is a general increase in prices and a drop in the purchasing power of your money. Base: Total Sample (n=1,716)

# Most say inflation will impact day to day affordability and delay retirement date

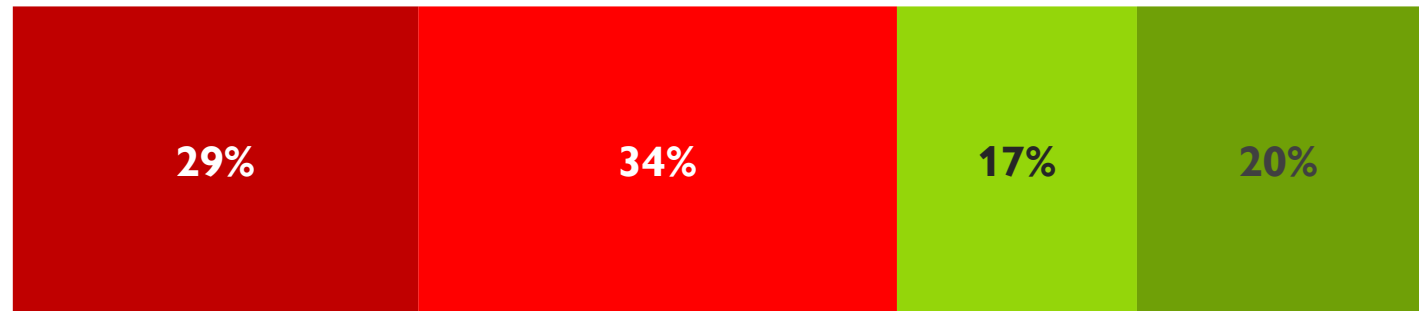
## IF INFLATION CONTINUES RISING...

STRONGLY +  
SOMEWHAT  
AGREE

Your day-to-day expenses will become significantly less affordable than they are today



You will have to push out your target retirement date



■ Strongly agree

■ Somewhat agree

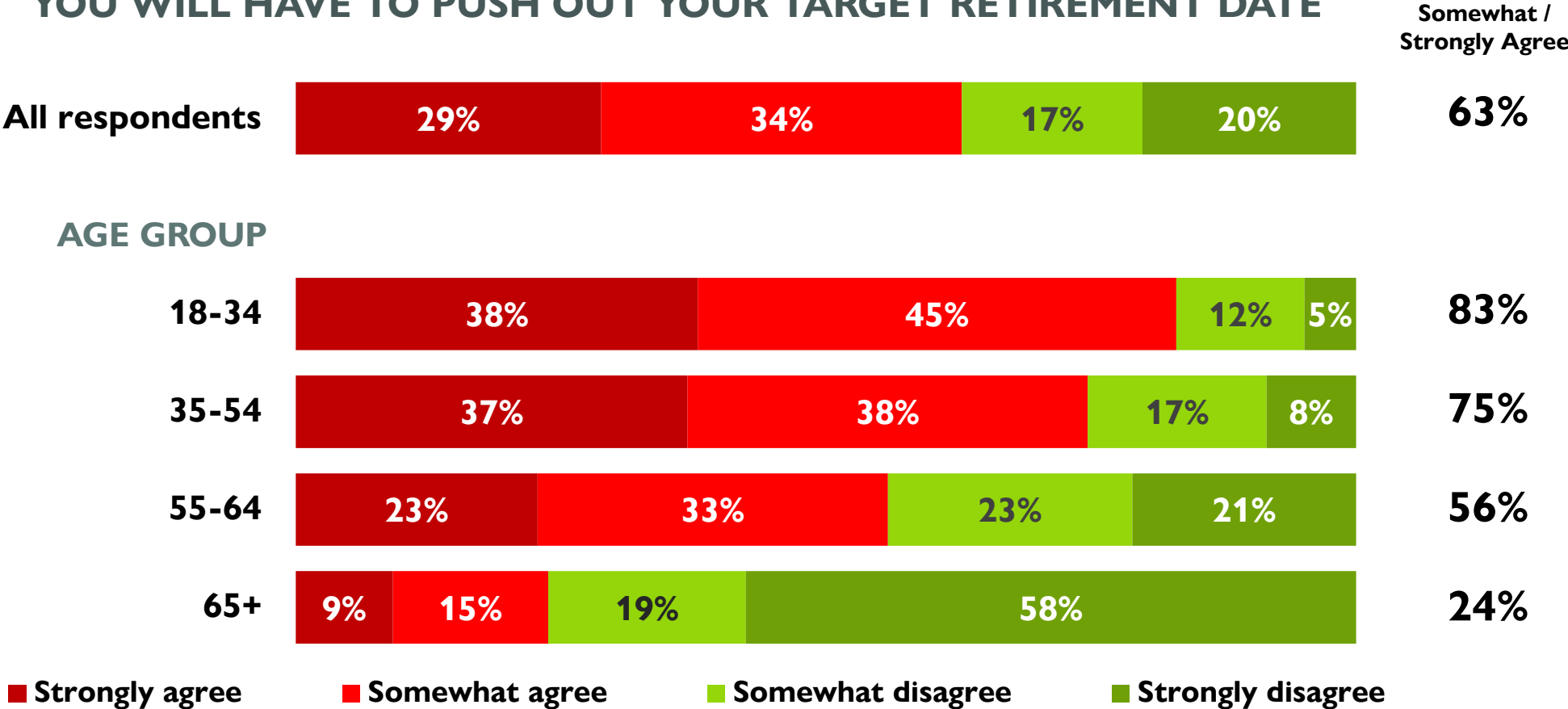
■ Somewhat disagree

■ Strongly disagree

To what extent do you agree/disagree that if inflation continues rising? Base: Total Sample (n=1,716)

# Under 35s are more likely to agree they will have to delay retirement than 35+

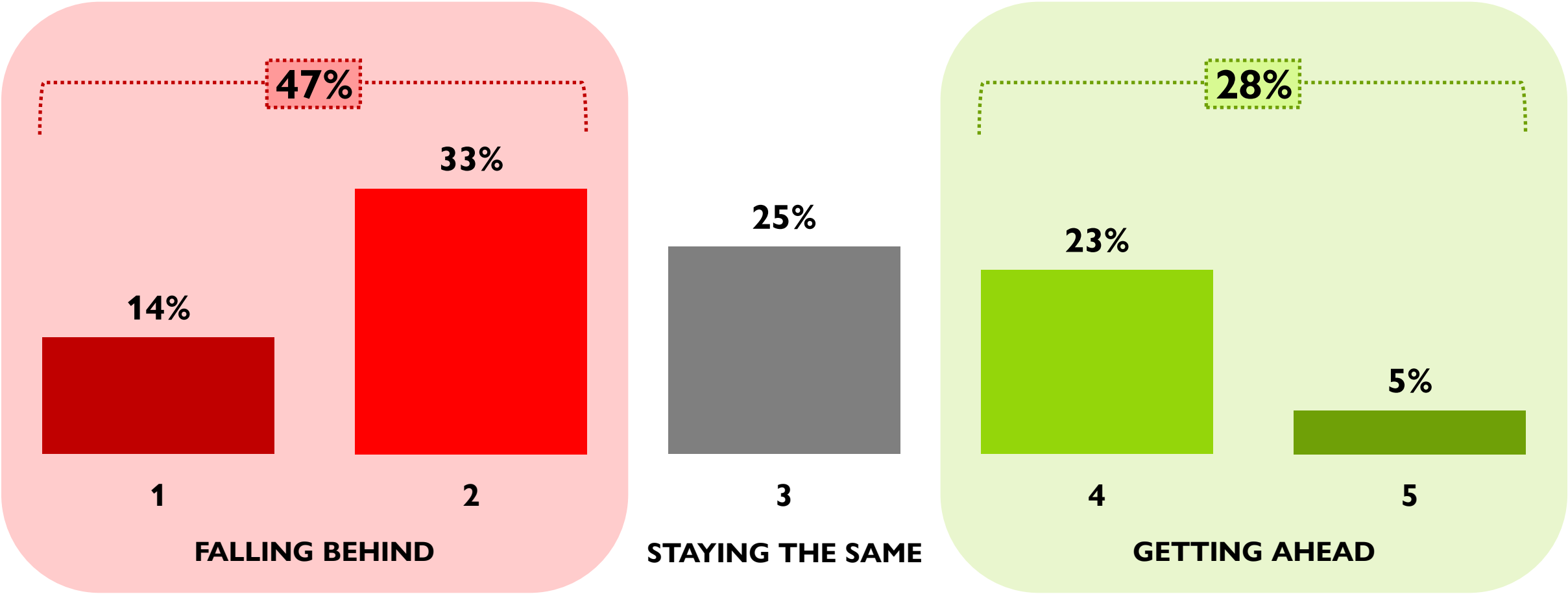
## IF INFLATION CONTINUES RISING... YOU WILL HAVE TO PUSH OUT YOUR TARGET RETIREMENT DATE



To what extent do you agree/disagree that if inflation continues rising? Base: Total Sample (n=1,716); Ages 18-34 (n=461); 35-54 (n=579); 55-64 (n=321); 65+ (n=354)

# About half of Canadians expect they will be 'falling behind' if inflation continues rising

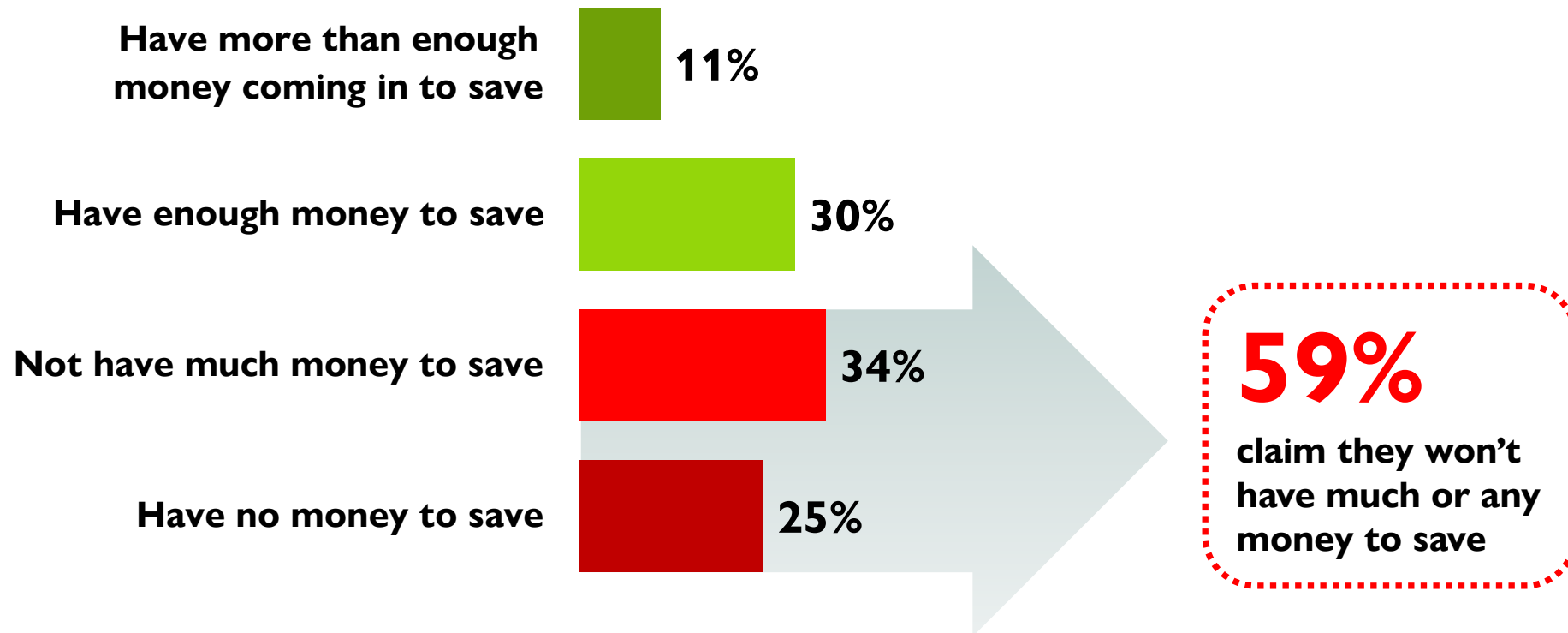
## IMPACT ON STANDARD OF LIVING



And if inflation continues rising, how will this affect your current standard of living on a scale from 1 to 5, where 1 means falling behind and 5 means getting ahead? Base: Total Sample (n=1,716)

# Most Canadians say they won't have much or any money at all for savings with rising inflation

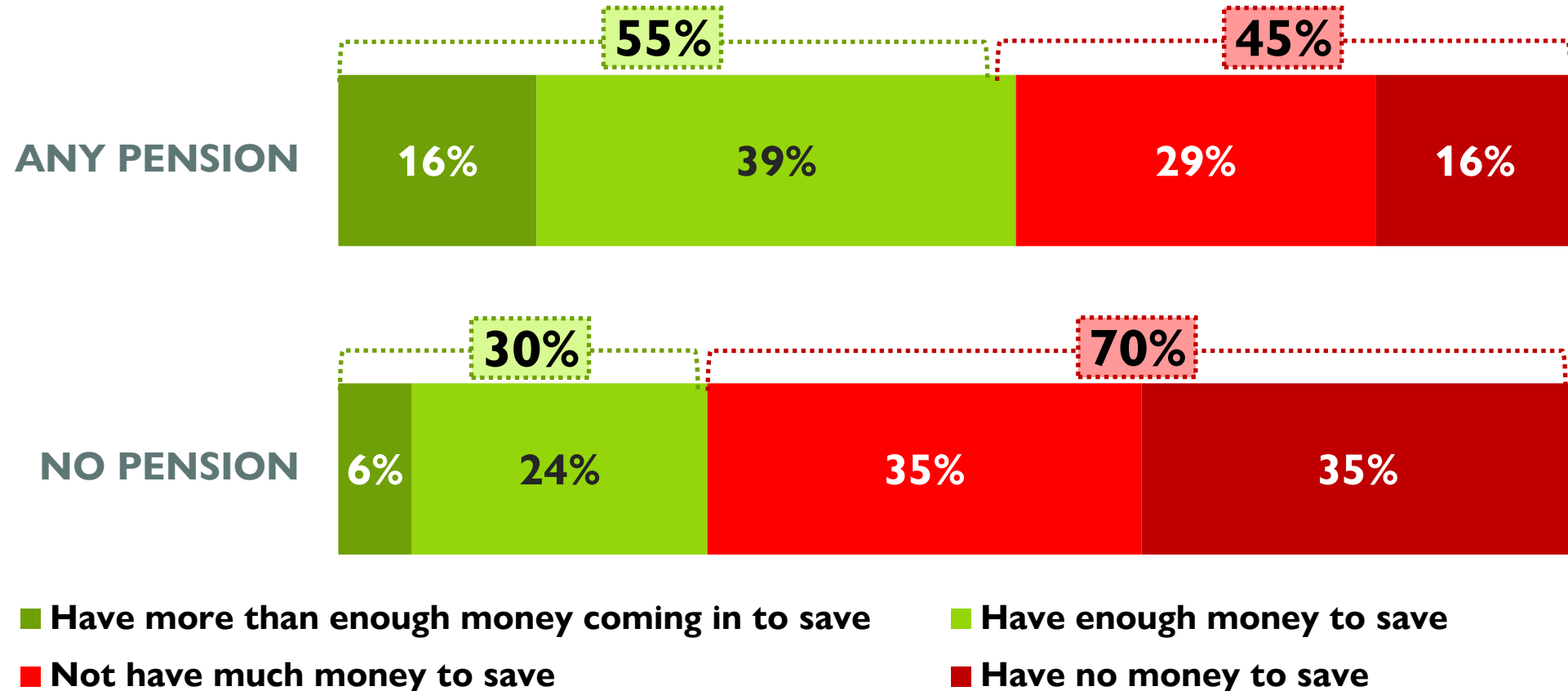
## IMPACT ON SAVINGS



And if inflation continues rising, do you feel like in the next six months, you will... Base: Total Sample (n=1,716)

# Those without a pension are more likely to say they won't have much or any money at all to save

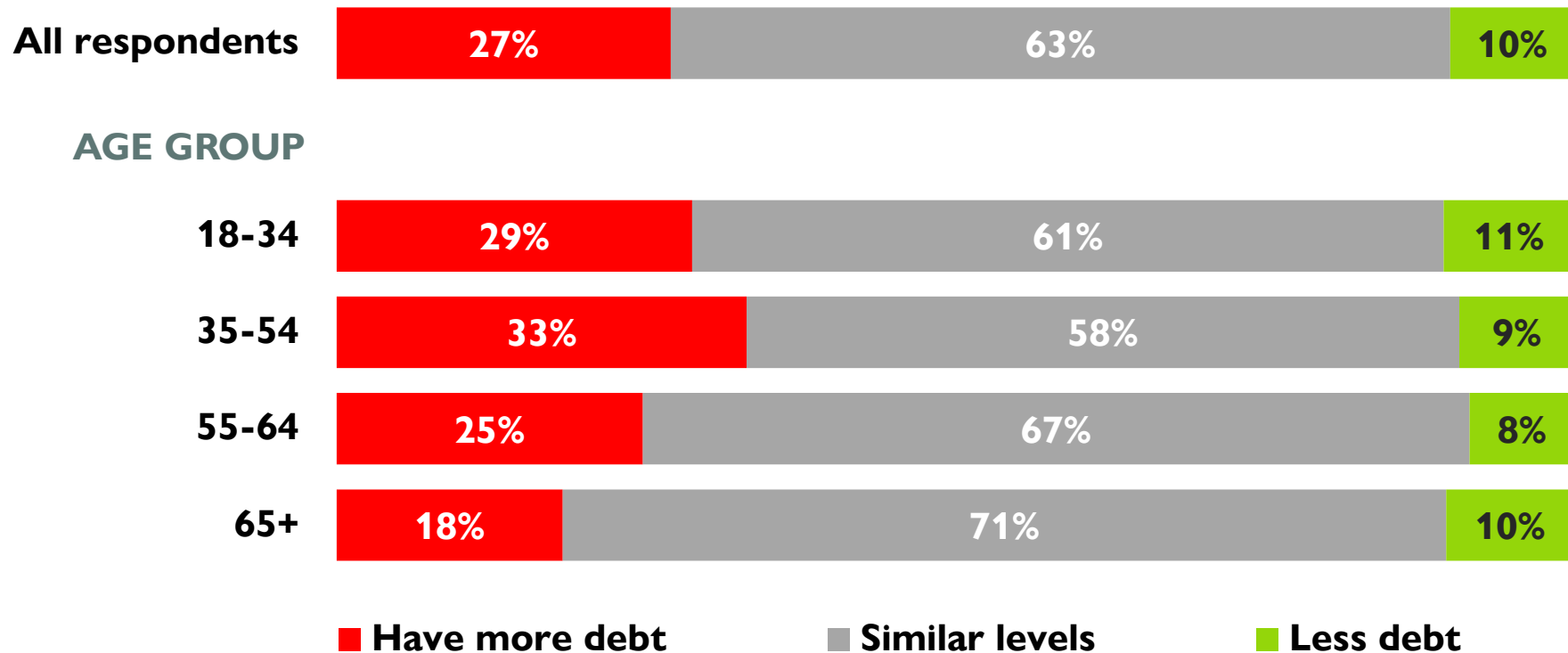
## IMPACT ON SAVINGS



And if inflation continues rising, do you feel like in the next six months, you will... Base: Any pension (n=916); No pension (n=563)

# One in four Canadians will have more debt in 6 months if inflation continues rising

## IMPACT ON DEBT



And if inflation continues rising, do you feel like in the next six months, you will... Base: Total Sample (n=1,716); Ages 18-34 (n=461); 35-54 (n=579); 55-64 (n=321); 65+ (n=354)

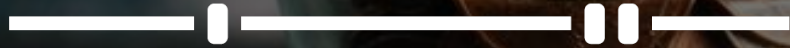


# SAVING FOR RETIREMENT

**ABACUS DATA**



**HOOPP**

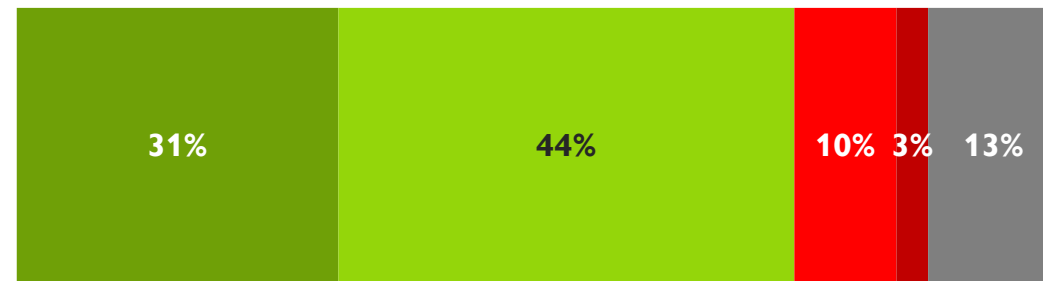




# The majority of Canadians continue to agree retirement is too expensive and a retirement crisis is emerging

## PERCEPTIONS ON RETIREMENT

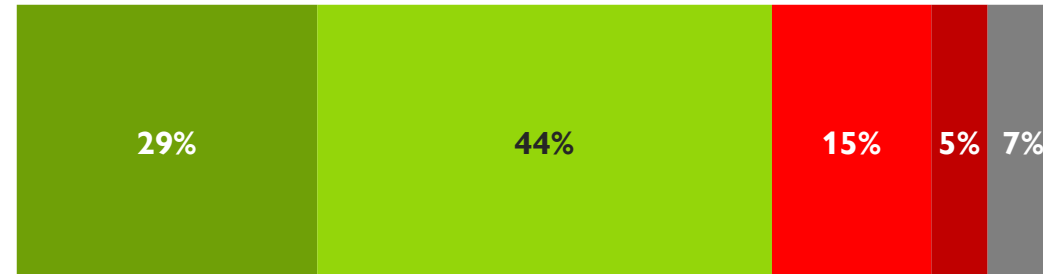
**There is an emerging retirement income crisis**



**STRONGLY +  
SOMEWHAT AGREE**  
2022  
Change  
from 2021

**75% +7**

**Saving for retirement is prohibitively expensive**



**72% +7**

■ Strongly agree   
 ■ Somewhat agree   
 ■ Somewhat disagree   
 ■ Strongly disagree   
 ■ Don't have a view one way or another

Do you agree or disagree that... Base: Total Sample (n=1,716)



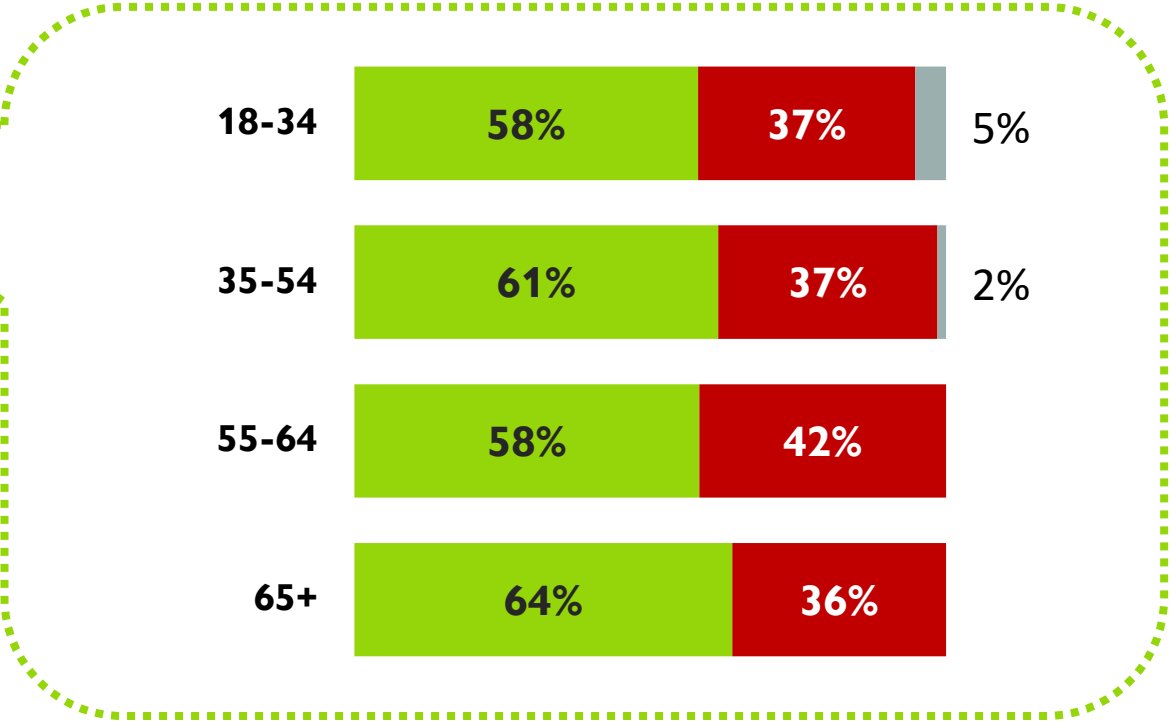
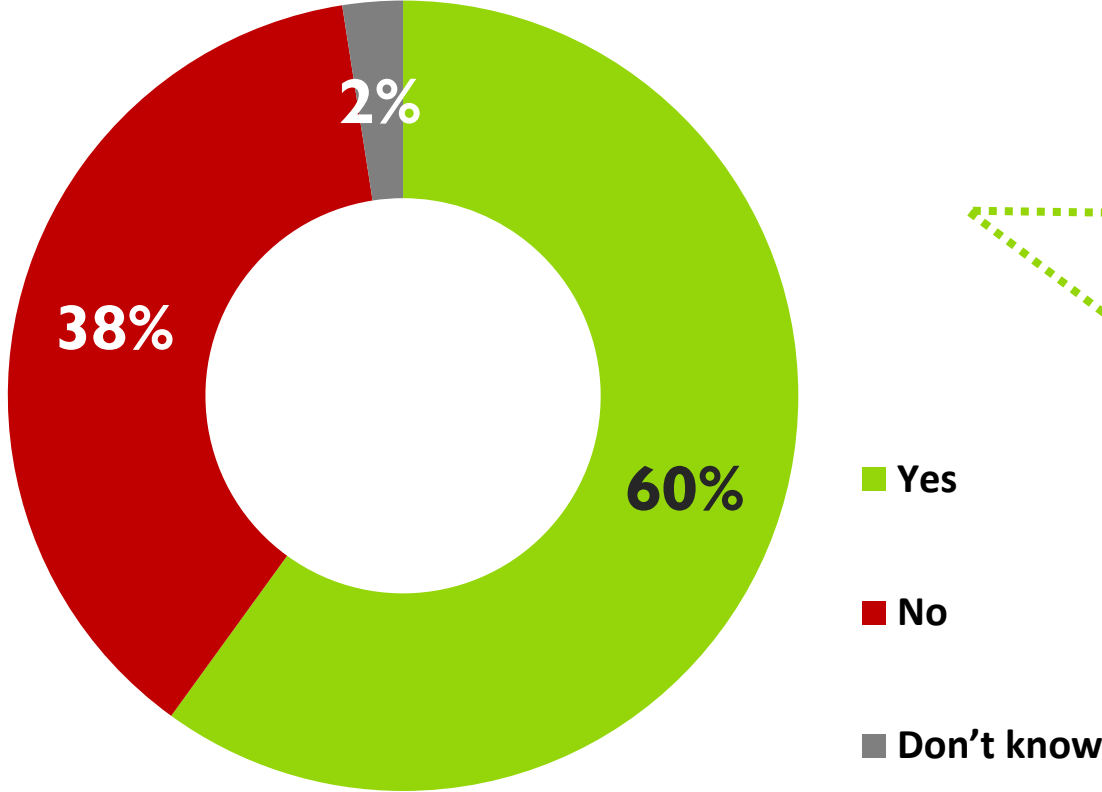
# Younger Canadians are less likely to have any savings in general over \$5,000 compared to those who are older

	18-34	35-54	55-64	65+
<b>NET: Savings \$5000+</b>	<b>54%</b>	<b>58%</b>	<b>61%</b>	<b>64%</b>
<b>\$5-10,000</b>	<b>14%</b>	<b>7%</b>	<b>10%</b>	<b>7%</b>
<b>\$10,000-\$25,000</b>	<b>7%</b>	<b>7%</b>	<b>7%</b>	<b>11%</b>
<b>\$25,000-\$50,000</b>	<b>6%</b>	<b>10%</b>	<b>9%</b>	<b>7%</b>
<b>\$50,000-75,000</b>	<b>10%</b>	<b>8%</b>	<b>4%</b>	<b>5%</b>
<b>\$75,000-\$100,000</b>	<b>6%</b>	<b>8%</b>	<b>4%</b>	<b>7%</b>
<b>\$100,000-\$150,000</b>	<b>6%</b>	<b>7%</b>	<b>7%</b>	<b>7%</b>
<b>\$150,000-\$200,000</b>	<b>2%</b>	<b>4%</b>	<b>4%</b>	<b>4%</b>
<b>\$200,000+</b>	<b>2%</b>	<b>7%</b>	<b>16%</b>	<b>16%</b>

How much money do you have in savings? That is, money you've put aside for general savings or a specific goal, outside of your month-to-month budget Base: Canadians aged 18-34 (n=461); 35-54 (n=579); 55-64 (n=321); 65+ (n=354)

# Over one third of working Canadians have not set aside any money for retirement in the past year

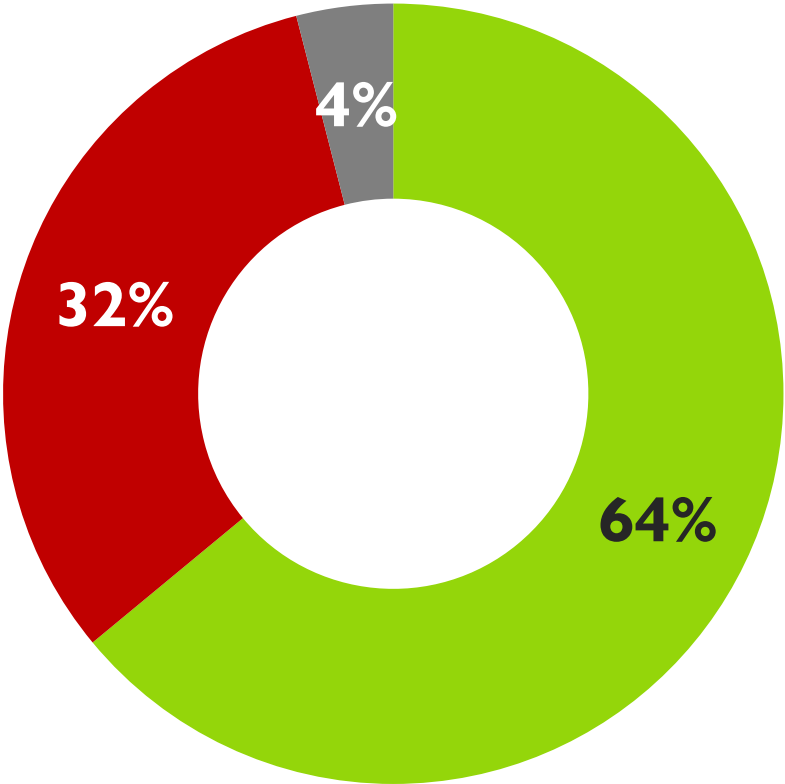
## SET ASIDE MONEY FOR RETIREMENT IN THE PAST YEAR



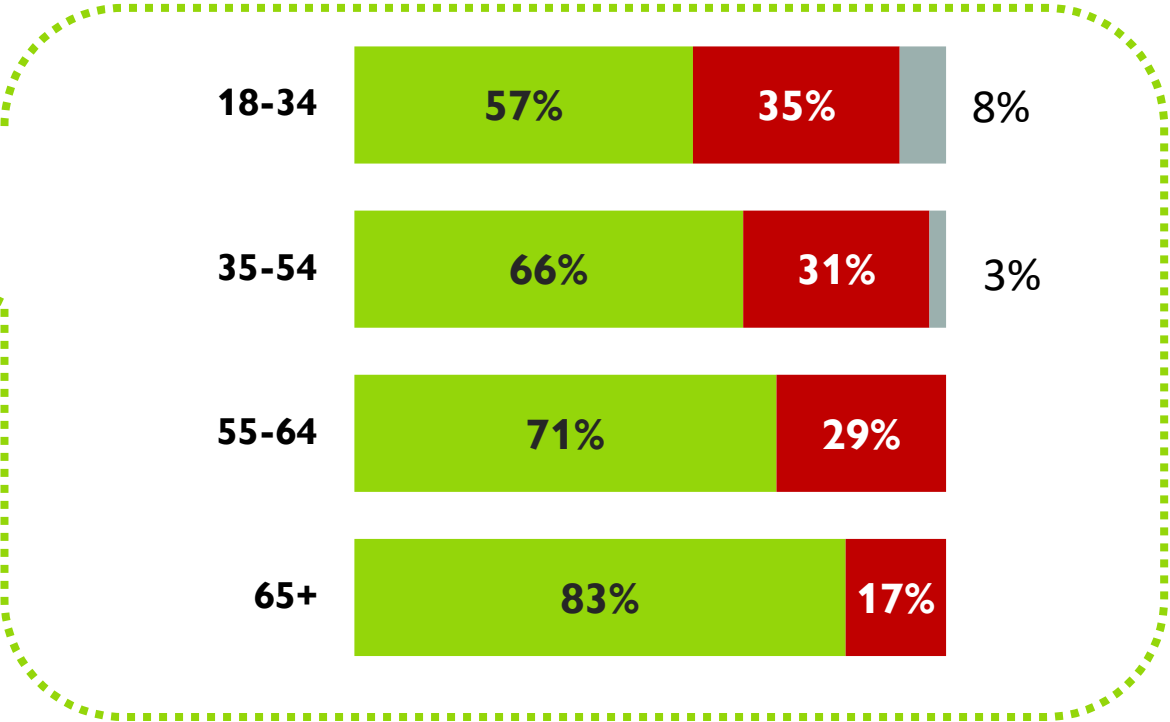
And have you set aside any money for retirement in the last year? Base: Employed Canadians: Total (n=1,020), 18-34 (n=306), 35-54 (n=507), 55-64 (n=146), 65+ (n=61)

# One third have not set aside any money at all for retirement, which skews higher among younger working Canadians

## SET ASIDE MONEY FOR RETIREMENT IN GENERAL



- Yes
- No
- Don't know



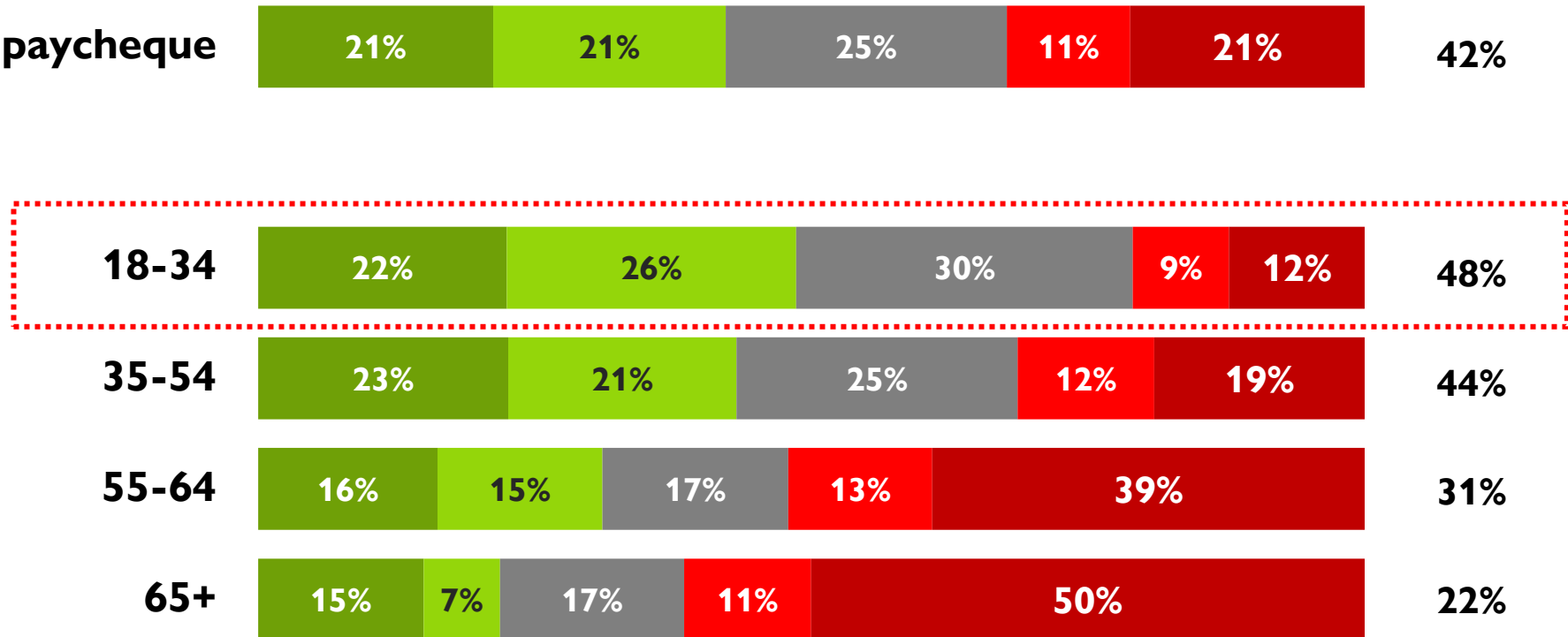
Have you set aside any money in savings for retirement? Base: Employed Canadians: Total (n=1,020), 18-34 (n=306), 35-54 (n=507), 55-64 (n=146), 65+ (n=61)

Among workers under 35 that have not saved any money for retirement, about half cite living paycheque to paycheque

### REASON FOR NO RETIREMENT SAVINGS

APPLIES  
(4-5)

I live paycheque to paycheque



■ 5 - Applies completely ■ 4 ■ 3 ■ 2 ■ 1 - Does not play a role

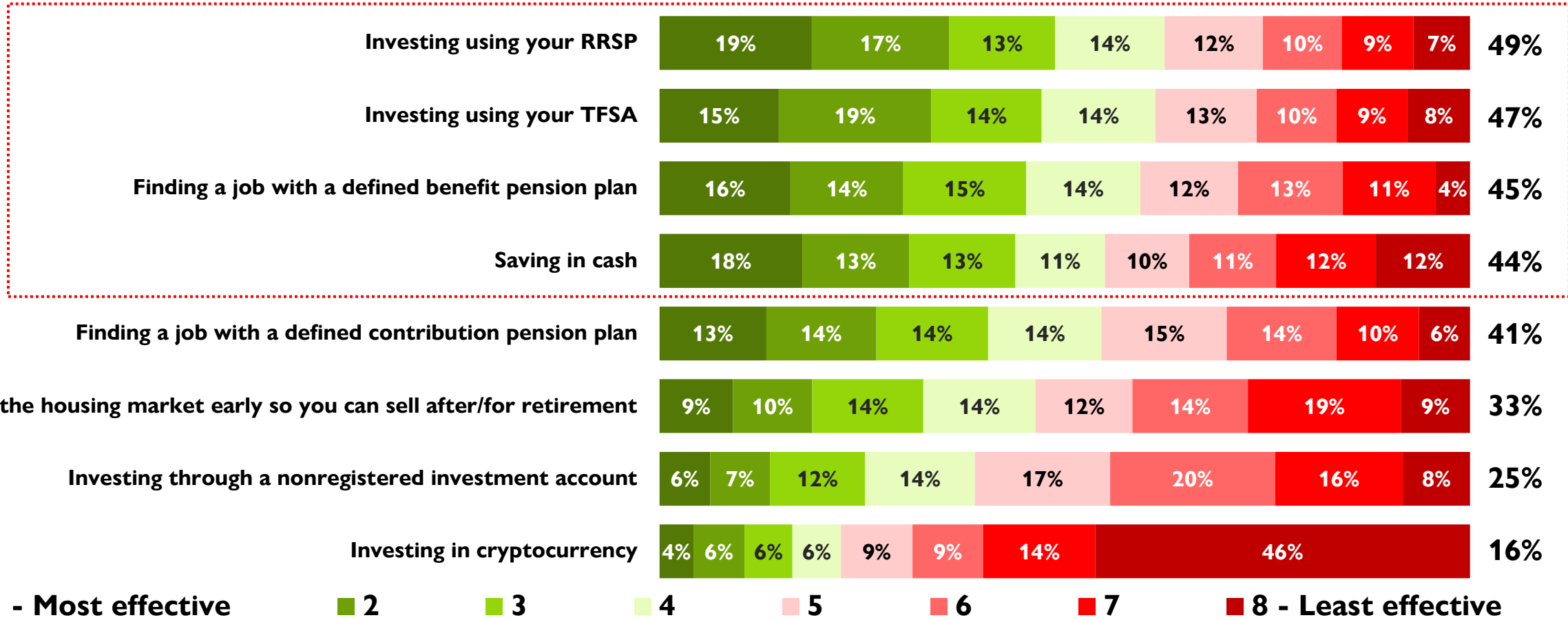
Below are a number of reasons you might have saved or not saved for retirement yet. Which of the following apply to your circumstance? Base: Employed Canadians 18-34 (n=306), 35-54 (n=507), 55-64 (n=146), 65+ (n=61)



Investing using an RRSP and a TFSA are considered the most effective ways to save for retirement, followed by finding a job with a defined benefit pension plan and saving in cash

### MOST EFFECTIVE WAYS TO SAVE FOR RETIREMENT

RANK (1-3)

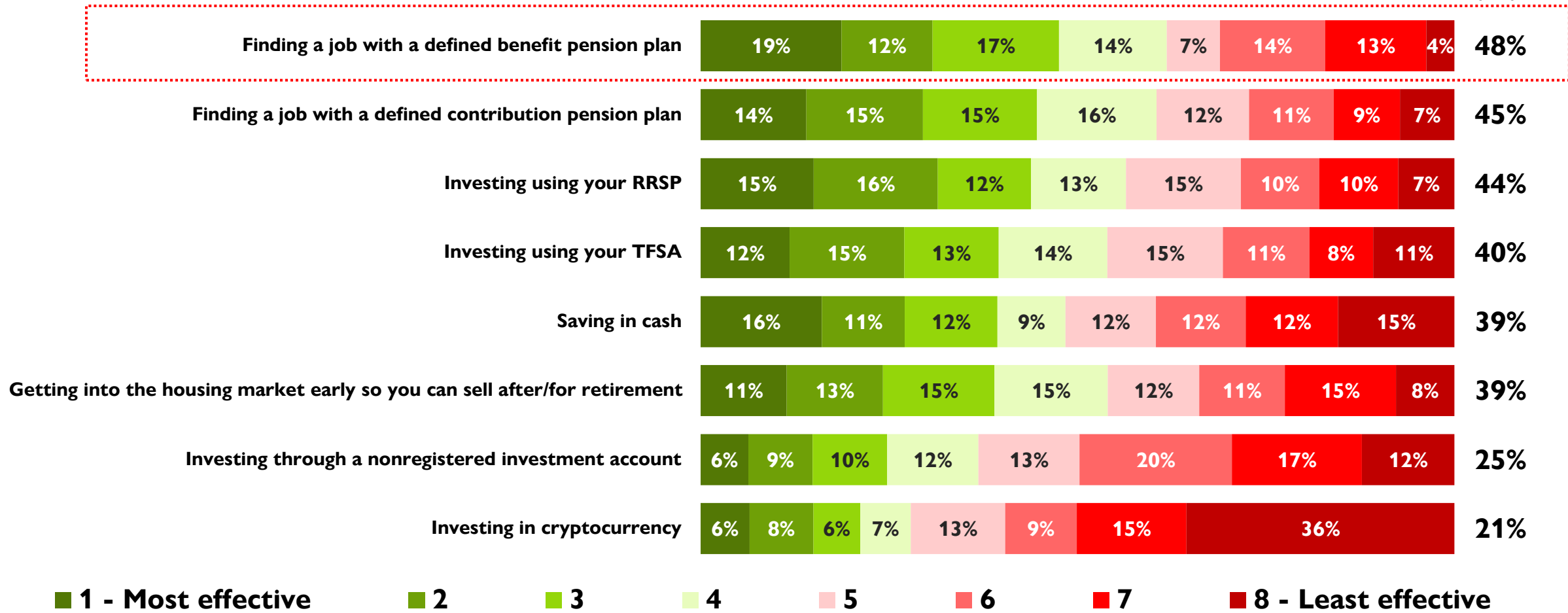


In your mind, what would be the best way for you to save for retirement? Please rank the following in order of most effective approach to least effective approach? Base: Non-retired (n=1,262)

# Among those under the age of 35, finding a job with a defined benefit pension plan is considered the most effective way to save for retirement

## MOST EFFECTIVE WAYS TO SAVE FOR RETIREMENT – AMONG THOSE UNDER 35

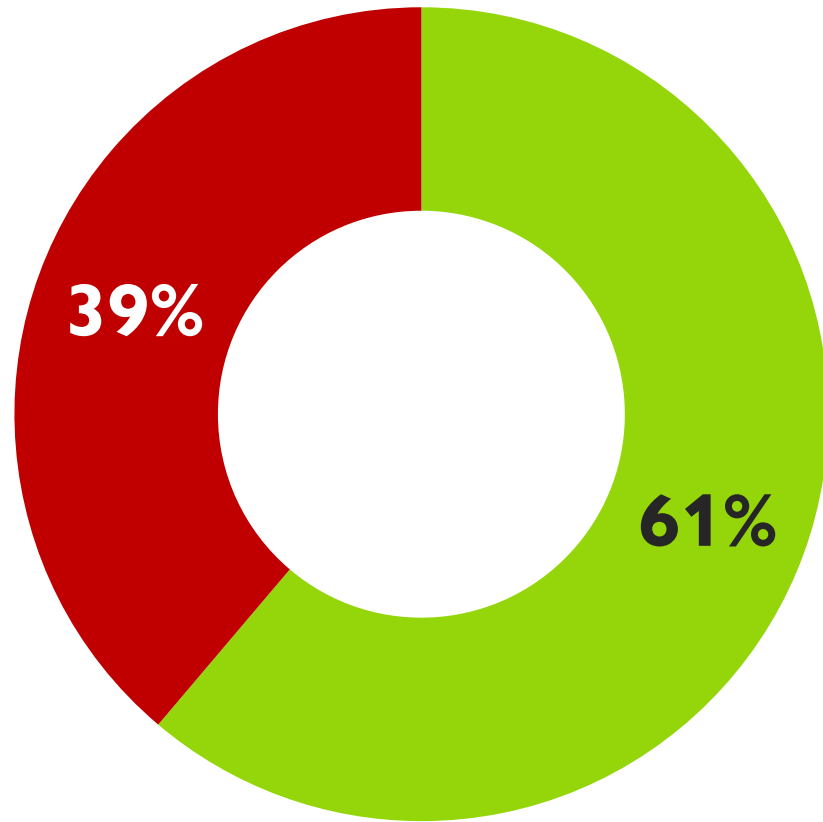
RANK  
(1-3)



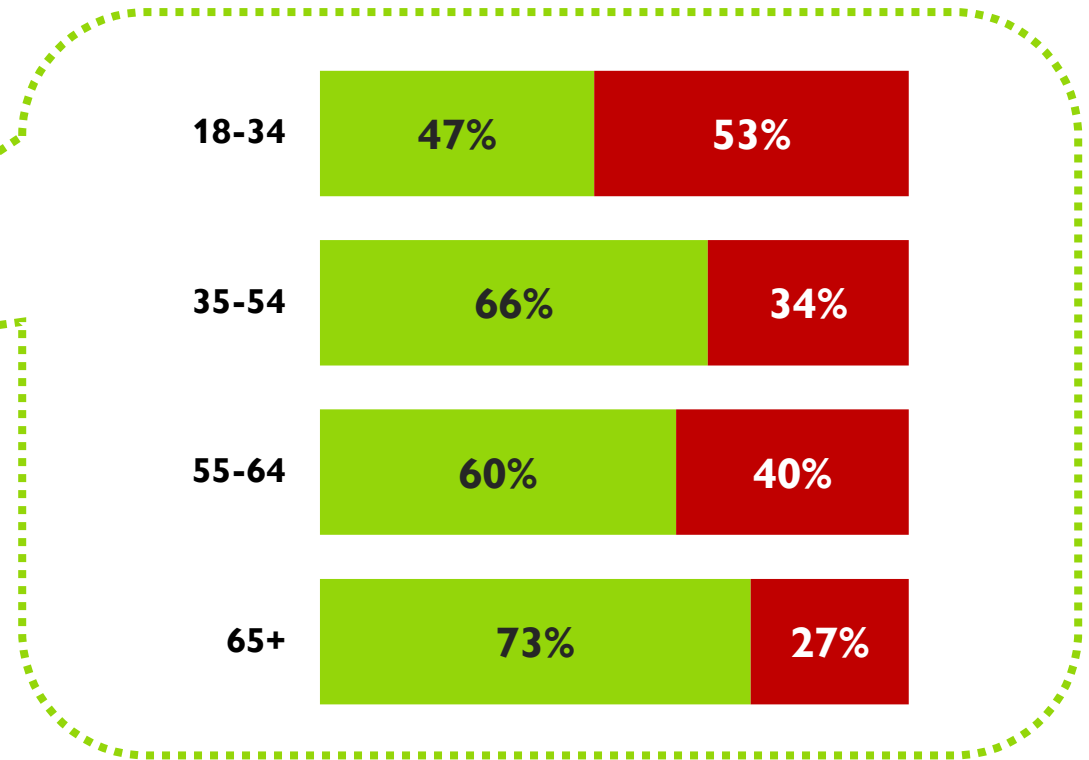
In your mind, what would be the best way for you to save for retirement? Please rank the following in order of most effective approach to least effective approach? Base: Non-retired under age 35 (n=389)

# Home ownership skews older in age

## HOME OWNERSHIP



■ Yes ■ No

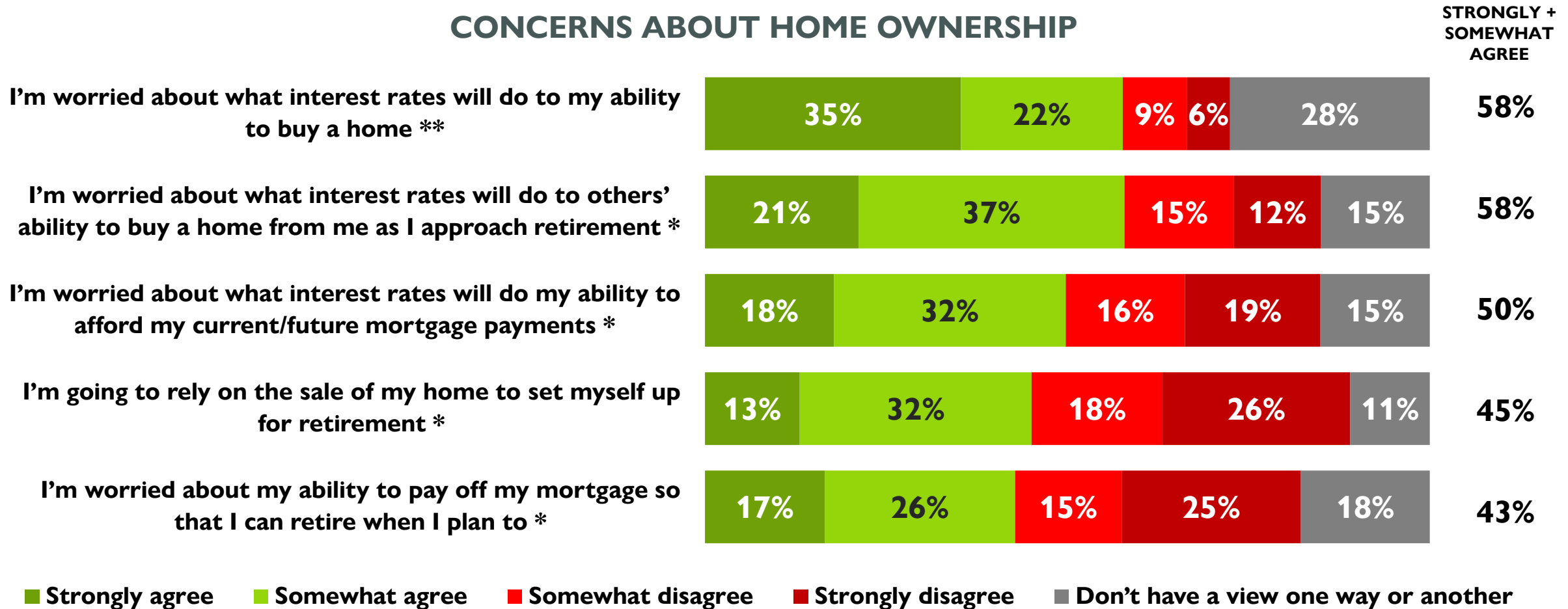


Do you own a home? Base: Total Sample (n=1,716); Ages 18-34 (n=461); 35-54 (n=579); 55-64 (n=321); 65+ (n=354)



# Over half of non-homeowners are worried about the impact of interest rates on their ability to buy a home and an equal proportion of homeowners are worried about how it will impact selling their home

## CONCERNS ABOUT HOME OWNERSHIP



Do you agree or disagree that... Base: Homeowners (n=1,115)\*; Non-homeowners (n=593)\*\*

# Younger Canadians are more likely to worry about the impact of interest rates than older Canadians

## Agree/disagree statements

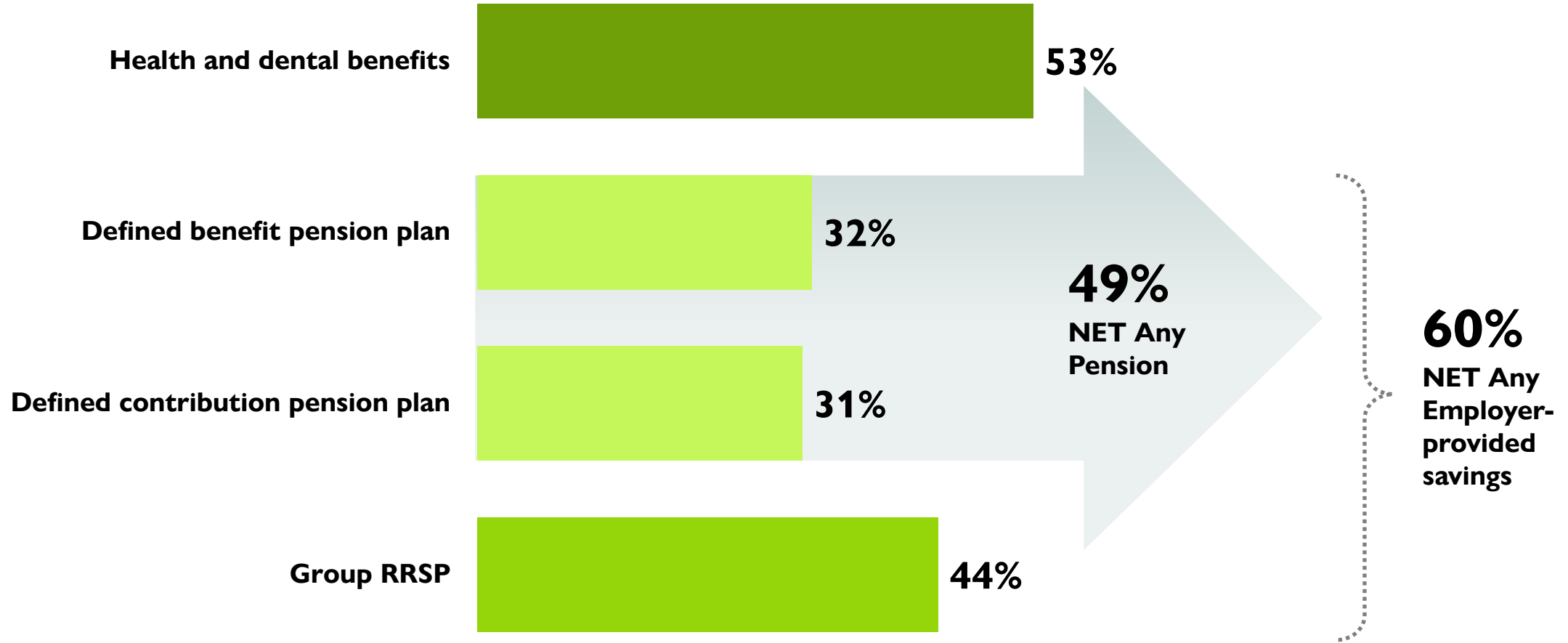
Strongly / Somewhat Agree

	18-34	35-54	55-64	65+
I'm worried about what interest rates will do to my ability to buy a home **	75%	58%	44%	30%
I'm worried about what interest rates will do to others' ability to buy a home from me as I approach retirement *	76%	62%	45%	47%
I'm worried about my ability to pay off my mortgage so that I can retire when I plan to *	65%	54%	28%	19%
I'm worried about what interest rates will do my ability to afford my current/future mortgage payments *	73%	63%	28%	27%

Do you agree or disagree that... Base: Homeowners (Total, n= 1,111, 18-34, n=206 ; 35-54, n=424; 55-64, n=182; 65+, n=299)\*, Non-homeowners (Total, n=593; 18-34, n=184; 35-54, n=191; 55-64, n=111; 65+, n=107)\*\*

# One in two working Canadians have a type of workplace pension

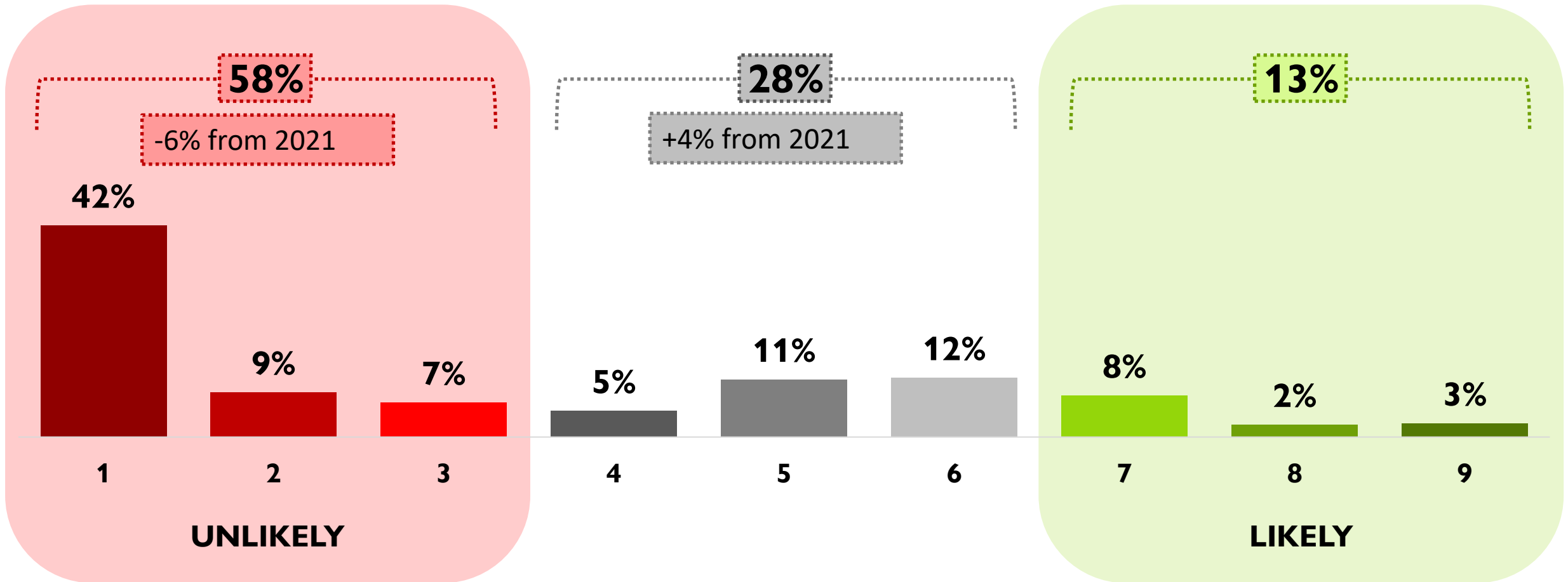
## EMPLOYER-PROVIDED BENEFITS



Do you have any of the following? Please select all that apply. Base: Employed Canadians (n=1,020)

# Those currently without a pension say that it's unlikely they will ever have a workplace pension

## LIKELIHOOD OF HAVING A PENSION



What is the likelihood you, personally, will ever have a workplace pension plan? Base: No pension (n=563)



# ATTITUDES TOWARDS PENSIONS

**ABACUS DATA**

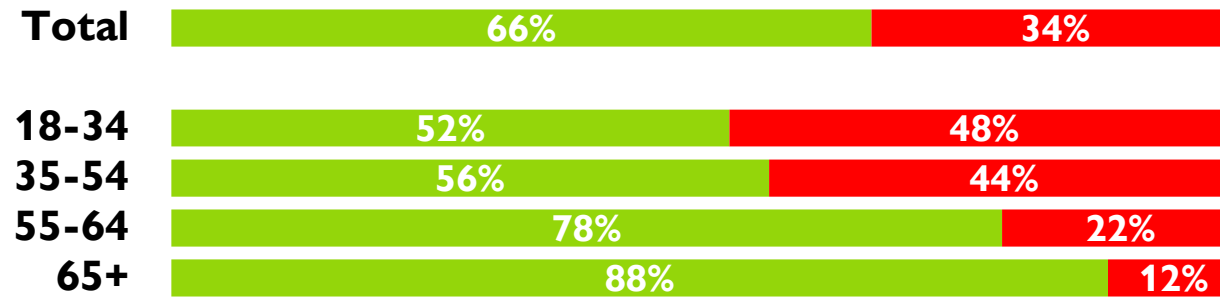


**HOOPP**

# Two thirds of Canadians prefer a slightly lower salary but any (or a better) pension plan than a higher salary and no (or a worse) plan

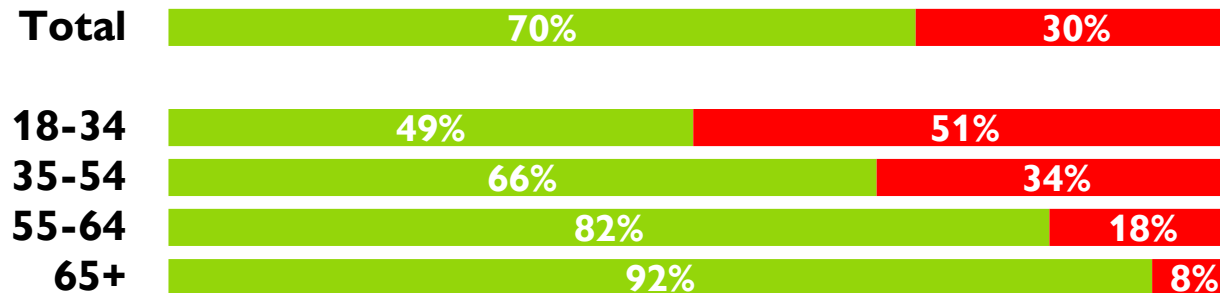
## THIS OR THAT?

**Have a slightly lower salary but any (or a better) pension plan**



**Have a higher salary but no (or lower quality) pension plan**

**Have your employer make direct contributions to a pension plan**



**Receive the money employers typically contribute for pension plans as salary**

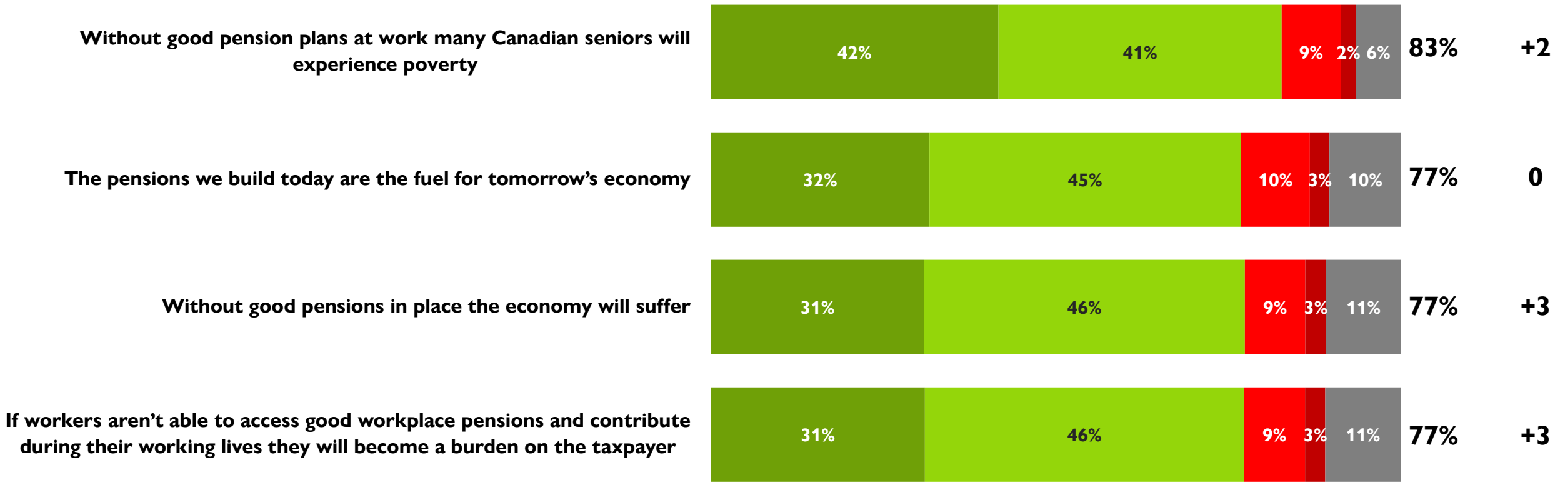
I want you to consider a number of trade-offs. Between the two, would you generally rather... Base: Total Sample (n=1,716); 18-34 (n=461); 35-54 (n=579); 55-64 (n=321); 65+ (n=354)



# At least three quarters of Canadians say pensions are beneficial for the economy

## ECONOMIC IMPACT

**STRONGLY +  
SOMEWHAT AGREE**  
2022  
Change  
from 2021

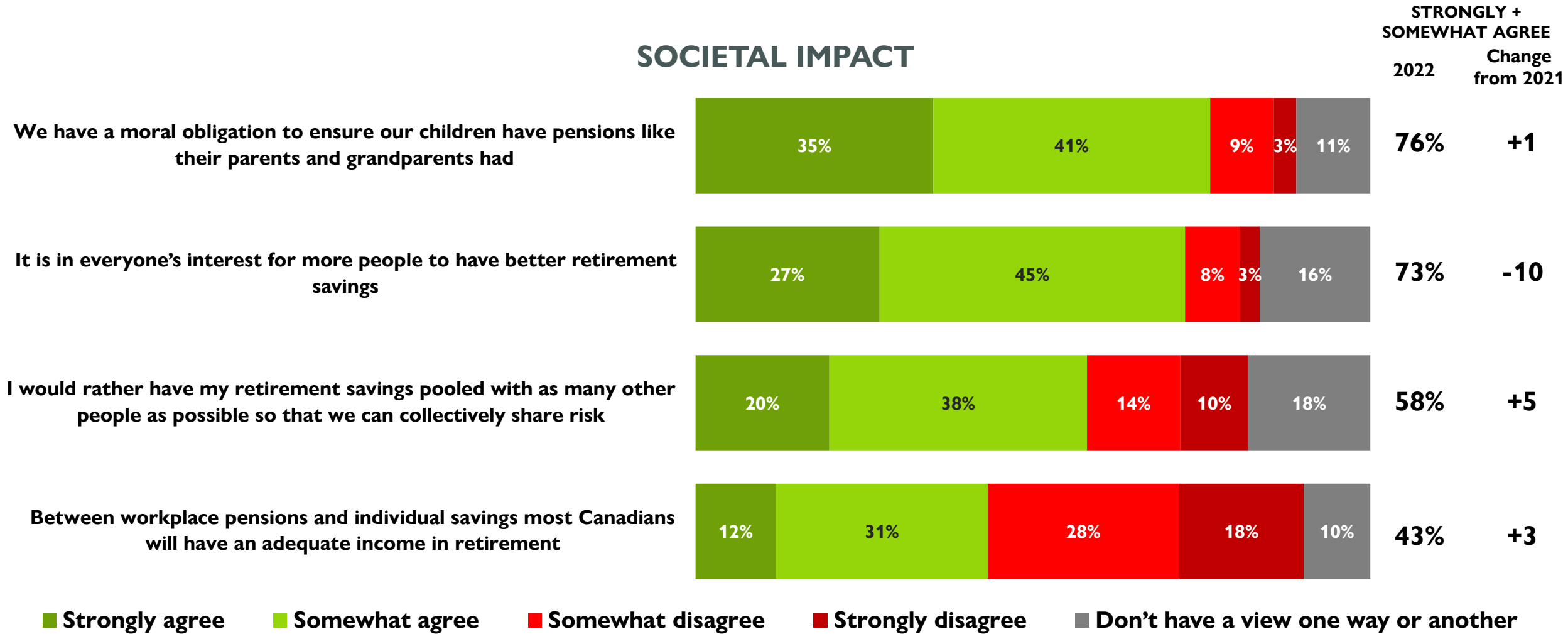


■ Strongly agree   
 ■ Somewhat agree   
 ■ Somewhat disagree   
 ■ Strongly disagree   
 ■ Don't have a view one way or another

Do you agree or disagree that... Base: Total Sample (n=1,716)

# Three quarters of Canadians say we have a moral obligation to ensure that children will have pensions like earlier generations had

## SOCIETAL IMPACT



Do you agree or disagree that... Base: Total Sample (n=1,716)

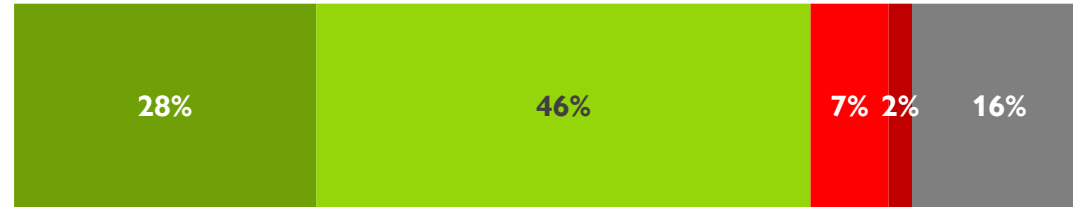


# Majority of Canadians continue to say the government has a role to play in supporting pensions

## ROLE OF GOVERNMENT

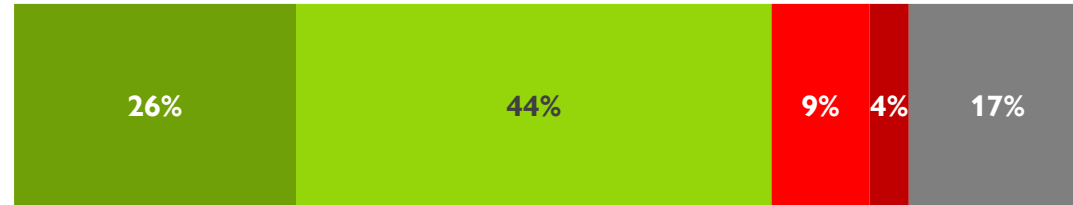
**STRONGLY +  
SOMEWHAT AGREE**  
2022  
Change  
from 2021

**Governments can save money by supporting pensions that are more efficient**



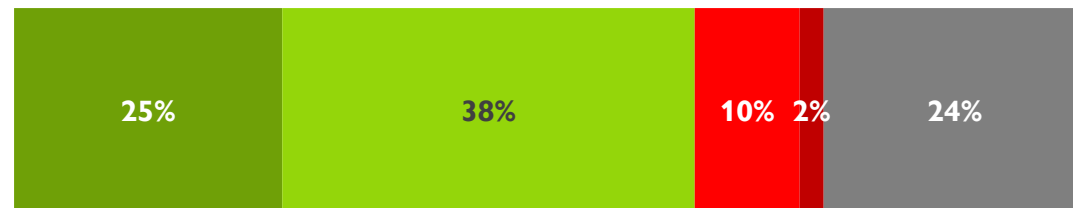
**74%** **+4**

**Governments can save money by supporting pensions that are more affordable**



**71%** **+5**

**Paying for retirement with a pension is much less costly than paying for it with a government program**



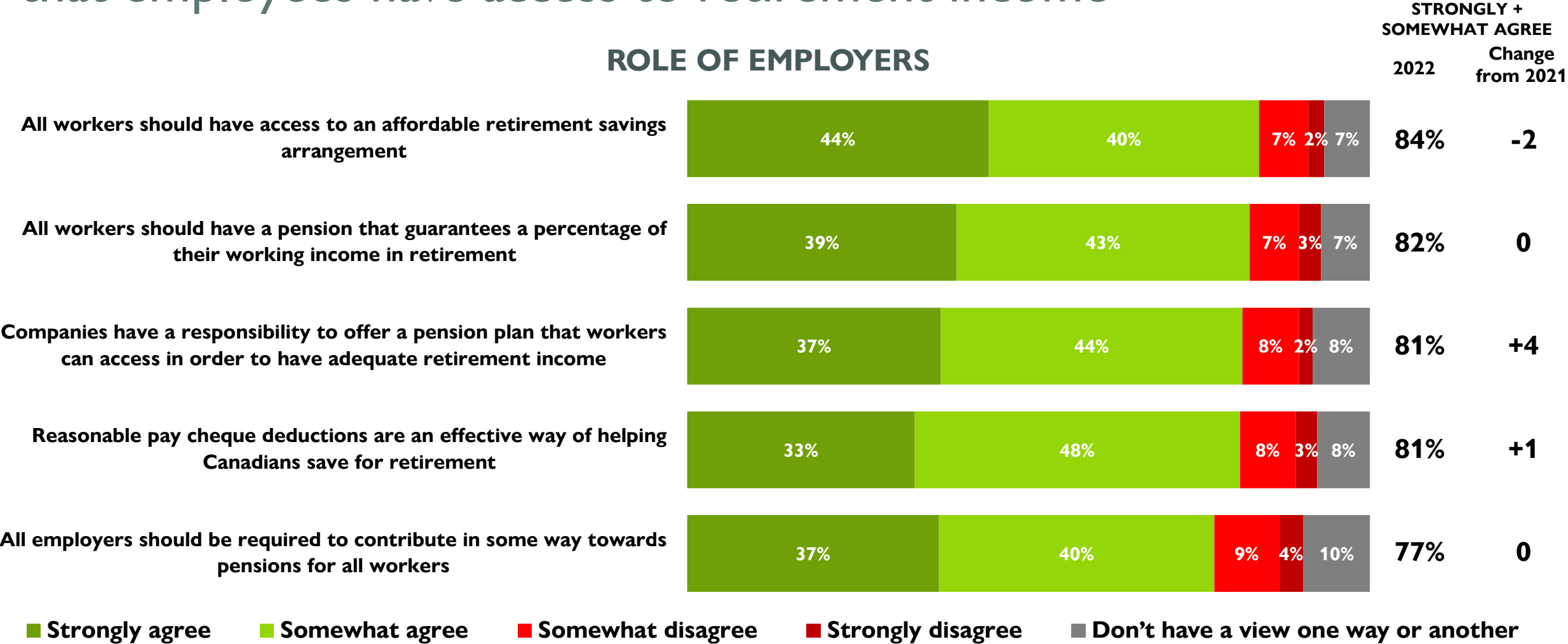
**63%** **+2**

■ Strongly agree   
 ■ Somewhat agree   
 ■ Somewhat disagree   
 ■ Strongly disagree   
 ■ Don't have a view one way or another

Do you agree or disagree that... Base: Total Sample (n=1,716)



# Most Canadians agree that employers have a responsibility to ensure that employees have access to retirement income



Do you agree or disagree that... Base: Total Sample (n=1,716)