

2025 Canadian Retirement Survey

Executive summary

The Healthcare of Ontario Pension Plan (HOOPP) partnered with Abacus Data on the seventh annual *Canadian Retirement Survey*, conducted in the spring of 2025. This public opinion tracking survey examines Canadian individuals' retirement savings behaviour within the current economic environment, and the personal, societal and economic issues impacting their retirement security.

The results of this year's survey highlight the importance Canadians place on achieving financial security in retirement, even amid mounting affordability concerns and global economic uncertainty. Nearly nine-in-10 Canadians would choose to pay 9% of their salary, with contributions matched by their employer, into a defined benefit pension plan in exchange for a secure lifetime income in retirement. This consensus is consistent across all age groups.

This sentiment persists despite significant economic uncertainty, which has left many Canadians prioritizing their daily expenses over saving for retirement. Those especially struggling include Canadians who do not own a home and homeowners with rising mortgages due to rate increases at renewal, casting doubt on homeownership as a path to a secure retirement.

Affordability issues hurt Canadians' retirement savings, well-being

As Canadians navigate broad economic uncertainty and affordability challenges, most (77%) are worried about the negative impact of inflation on their ability to afford their daily expenses and 60% say they have no disposable income.

With many struggling to keep up, the top concerns for Canadians are Canada-U.S. relations (67%) and the cost of daily living (67%). Other concerns include:

- economic uncertainty (65%)
- housing affordability (60%)
- having enough money in retirement (56%)

Canadians are particularly worried about the impact of geopolitical uncertainty, including global trade tensions, on:

- the increasing cost of living (61%) and housing (54%)
- their retirement savings (46%)
- losing their jobs (33%)

Rising expenses and economic uncertainty have hurt Canadians' retirement savings and outlook. Fifty-nine per cent of unretired Canadians do not think they will ever be able to retire due to their financial situation. Half (49%) have not set aside any money for retirement in the past year and 39% have never saved for retirement.

The economic challenges facing Canadians have also taken a toll on their well-being, leaving them more likely to feel anxious (52%, +7 pts from 2024), fearful (48%, +6) and sad (47%, +6) about their finances.

Many see homeownership as part of retirement plan, despite challenges

Despite the challenges posed by a lack of affordable housing and a struggling housing market, nearly two-thirds (62%) of Canadians view homeownership as a key part of their retirement strategy, either as a financial investment or a source of stability in retirement.

As part of their strategy, half (50%) of unretired homeowners plan to rely on the sale of their home to set themselves up for retirement. Yet only 30% of Canadians who do not own a home say they have enough money coming in to save, and 62% are worried about the impact of interest rates on their ability to buy a home.

Meanwhile, a growing proportion of unretired homeowners are concerned about their ability to pay off their mortgage so they can retire when planned (65%, up 14 pts from 2024). In fact, 66% of homeowners with a mortgage say their payments have increased in the past year or are expected to go up within the next 12 months. Of this group:

- 78% agree the increase has meant or will mean cutting back in other areas to continue to afford their housing.
- 78% agree the increase has or will reduce their ability to save for retirement.

Non-homeowners struggling, less prepared for retirement

With affordability top of mind for many, more than a third (36%) of Canadians report having less than \$5,000 in savings, including for retirement, and one-in-five (20%) have no money saved. Those who do not own a home are significantly more likely to have less than \$5,000 saved (57% vs. 19% of homeowners).

The rising cost of rent is also a concern for most (84%) non-homeowners. In fact, the top financial priority for non-homeowners is paying rent (66%), while homeowners are more likely to focus on saving for retirement (54%). Only 38% of non-homeowners selected saving for retirement as a priority.

This may help explain why unretired homeowners are twice as likely as non-homeowners to have ever saved for retirement (71% vs. 36%).

Notably, the results suggest having a workplace pension can help Canadians save more, regardless of homeownership. Just 13% of homeowners and 50% of non-homeowners with pensions reported having less than \$5,000 in savings, compared with 33% of homeowners and 66% of non-homeowners without retirement benefits.

Canadians see pensions as key to retirement security

Canadians continue to face rising prices, rents and mortgages, leaving many concerned about how these challenges could affect their futures:

- 66% of unretired Canadians expect to continue working in retirement to support themselves financially.
- 49% of all Canadians are concerned about outliving their retirement savings and 46% expect their quality of life to decrease in retirement.

Having a pension improves Canadians' outlook. Canadians with a defined benefit (DB) pension are most likely to agree they will be able to meet their financial needs in retirement (59%), followed by 55% of those with a defined contribution pension and 30% of those without retirement benefits.

Most Canadians also recognize the value pensions provide, with nearly two-thirds (62%) agreeing that amid global uncertainty, workplace pensions are of greater value for individual contributors.

Underscoring this, an overwhelming majority of Canadians (88%) would choose to pay 9% of their salary, with contributions matched by their employer, to a DB pension plan in exchange for a lifetime income in retirement.

Canadians of all ages see the value of a DB pension and would opt-in if they could, including:

- 82% of those aged 18 to 34
- 88% of those aged 35 to 54
- 92% of those aged 55 to 64
- 93% of those 65+

Conclusion

Amid mounting affordability challenges, broad economic uncertainty and ongoing trade tensions, most Canadians are prioritizing their daily expenses over saving for retirement. Those who do not own a home, as well as homeowners with rising mortgage payments, are especially worried about the impact of their housing expenses on their ability to afford day-to-day expenses.

Remarkably, these difficulties have not diminished Canadians' desire to contribute to a defined benefit (DB) pension plan in order to receive a secure, lifetime income in retirement. This reflects Canadians' understanding of the importance of retirement security, and the value of a DB pension for workers.

The findings suggest Canadians understand the societal value provided by pensions and believe more workplaces should offer these benefits:

- 83% of Canadians agree it is in everyone's best interest for more people to have better retirement savings.
- 78% agree companies have a responsibility to offer a pension plan that workers can access for adequate retirement income.
- 73% agree that regardless of economic conditions, companies could afford to offer workers good pensions if they wanted to.

These findings are based on an online survey of 2,000 Canadians aged 18 and older from April 11 to 16, 2025. A random sample of panelists was invited to complete the survey from a set of partner panels based on the Lucid exchange platform. These partners typically use double opt-in survey panels, blended to reduce 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 +/- 2.19%, 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 the sample matched Canada's population according to age, gender, educational attainment and region. Totals may not add up to 100 due to rounding.