Four in ten Canadians with workplace retirement plans don't know their projected retirement income

Majority spend at most 10 minutes per year reviewing their plan statements

Public Release Date: Wednesday, January 5, 2010

Ipsos Reid is Canada's market intelligence leader and the country's leading provider of public opinion research. With operations in eight cities, Ipsos Reid employs more than 300 research professionals and support staff in Canada. The company has the biggest network of telephone call centres in Canada, as well as the largest pre-recruited household and on-line panels. Ipsos Reid's Canadian marketing research and public affairs practices are staffed with seasoned research consultants with extensive industry-specific backgrounds, offering the premier suite of research vehicles in Canada—including the Ipsos Trend Report, the leading source of public opinion in the country—all of which provide clients with actionable and relevant information. Ipsos Reid is an Ipsos company, a leading global survey-based market research group. To learn more, visit www.ipsos.ca

© Ipsos Reid

Washington ˛ New York ˛ Chicago ˛ Minneapolis ˛ Seattle ˛ San Francisco
Vancouver ˛ Edmonton ˛ Calgary ˛ Winnipeg ˛ Toronto ˛ Ottawa ˛ Montreal

Four in ten Canadians with workplace retirement plans don't know their projected retirement income

Majority spend at most 10 minutes per year reviewing their plan statements

Montreal, QC – Newly released research conducted by Ipsos Reid on behalf of Standard Life reveals that Canadians with employer-sponsored retirement plans generally make little use of the financial statements they receive that report upon the status of their portfolio, and that a significant proportion are out of touch in terms of their projected retirement income and their current position versus same.

Survey highlights include the following:

- Close to half of those surveyed (44% overall) do not know what their projected income will be upon retirement, and a similar proportion (41%) are unaware of their current position relative to that target.
- Roughly 2-in-3 of those surveyed receive reports on the status of their plan at most twice per year – 44% claiming to receive a retirement plan statement only annually and an additional 15% receiving a statement every 6 months.
- More than 1-in-2 describe their interaction with their retirement plan statements as cursory: 49% skimming through them and an additional 5% claiming to ignore them entirely). Underscoring this point, 6-in-10 (62%) spend at most 10 minutes reading their statements, and 36% spend less than 5 minutes doing so.

© Ipsos Reid

- Failure to review one's retirement plan statements in greater detail / depth was explained by respondents as principally due to inability to understand information presented within reports (36%), information being presented in an unengaging manner (24%), or because retirement planning is seen as being of low relevance given the number of years still remaining until retirement (21%).

- Amongst those with defined contribution plans, portfolio or plan adjustments based on report information or recommendations are made rarely (55%) or never (32%).

- Workplace pension plan statements were given failing grades on multiple criteria, most notably for making recommendations to improve retirement income (72%), containing sufficient information upon which to base a change in retirement plan direction (72%), ease of comprehension (53%), and providing an appropriate amount of detail (53%).

- Only a minority (31%) have received counselling from a financial advisor regarding their employer-sponsored retirement plan and how to read associated statements.

- Regionally, Quebecers are more likely to receive statements on only an annual basis, and to spend the least amount of time reviewing their reports.

- Canadians aged 55+ show a generally greater degree of engagement with their plan statements - reading them more thoroughly, being aware of their retirement income, tracking their position versus it, and having had the help of a financial professional to aid them with understanding their plan statements.

© Ipsos Reid

These are some of the findings of an Ipsos Reid poll conducted between November 3rd and 9th 2010, on behalf of Standard Life. For this survey, a national sample of 1,371 adults from Ipsos' Canadian online panel was interviewed online. Weighting was then employed to balance demographics and 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. A survey with an unweighted probability sample of this size and a 100% response rate would have an estimated margin of error of +/-2.6 percentage points 19 times out of 20 of what the results would have been had the entire population of adults in Canada been polled. All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error, and measurement error.

For more information, please contact:

Mark Wilkins
Vice President
(514) 904 4360

For full tabular results, please visit our website at www.ipsos.ca.

© Ipsos Reid

Washington ˄ New York ˄ Chicago ˄ Minneapolis ˄ Seattle ˄ San Francisco
Vancouver ˄ Edmonton ˄ Calgary ˄ Winnipeg ˄ Toronto ˄ Ottawa ˄ Montreal