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Toronto, ON – The results of the third annual Sun Life Canadian Unretirement™ Index survey conducted by Ipsos Reid for Sun Life Financial of Canada show a stark bottom line for many working adult Canadians aged 30+ against the backdrop of a recent recession which continues to take its toll on individuals.

In 2008, the average expectation age as to when workers would finally stop working and be fully retired was 64.9 years. Last year, that dipped slightly to 64.2 years. However, this year it jumped 2.8 years to an average retirement expectation time of 67.7 years.

It's rough to peek into the household income results where those earning less than \$50,000 a year have revised their expectations from 66.6 years in 2008 and 66.4 years in 2009 up to 69.7 years in this year's results, a jump of 3.1 years. Less of a jump but still significant are those with household incomes between \$50,000 and \$100,000 which have revised their expectations upwards by 1.7 years from 64.9 years in 2008 and 64.7 years in 2009 to 66.6 years in 2010. Even high household income earners have had to revise upwards 1.8 years, although on average they still expect to be out of the work force at about the regular retirement age: it was 63.5 years in 2008, 63.4 years in 2009 and now is at 65.3 years.

But where it's really tough to witness the change is in the age categories with Canada's oldest workers (currently between the ages of 60 and 65) now tacking on an extra 3.7 years from the expected 67.8 retirement age in 2009 to 71.5 years in 2010. Those aged 30 to 39 are up 4.7 years from 62.1 to 66.8 in one year; those aged 50 to 59 are up 3.5 years since 2009 from 65 to 68.5 and those aged 40 to 49 up 3.5 years from 63.0 in 2009 to 66.5 in 2010. Men are up 3.6 years from 65.0 to 68.6 whereas women are a little less affected -- from 63.7 in 2009 to 66.7 in 2010, an increase of 3.2 years.

In terms of Canada's regions and provinces, British Columbia heads the revised expected retirement age at 69.2, followed by Alberta 68.7, Ontario 68.6, Saskatchewan/Manitoba 66.8, Atlantic Canada 66.4 and Quebec 65.5.

The presence of a Group Retirement Plan, a Group Benefits Plan, a Financial Advisor or a written financial plan lowers the anticipated retirement age versus those who do not have these supports from 65.7 vs. 70, 65.8 vs. 68.8 and 64.8 vs. 68.4 respectively.

Working Because They Need to, Not Because They Want To...

The reason given by almost two thirds (62%) of all workers over the age of 30 indicating that they will be working at age 66 is because they "need to", not because they "want to" (39%). Men are more likely to keep working because they want to (44% vs. 34% of women) whereas women are more likely to "need to" keep working (67% vs. 57% of men).

Those most likely to "need to" work are aged 40-49 (65%) followed by those aged 50-59 (64%), those aged 30-39 (60%) and those aged 60-65 (50%). More women (67%) than men (57%) also say that they need to work beyond the age of 66. The numbers could hardly be any more differentiating when it comes to income: those earning household incomes less than \$50,000 a year are most likely to say that they need to keep working (70%), compared with those with

income between \$50,000-\$100,000 (53%), and those earning household incomes over \$100,000 (43%).

In terms of where those workers are who indicate they need to keep working, those in Ontario (65%) are most likely to say so, followed by those in British Columbia (63%), Alberta and Atlantic Canada (each at 58%), and Saskatchewan/Manitoba and Québec (all at 57%).

Only one-thirds (33%) of those with a written financial plan say that they'll be working at age 66 because they need to versus only 65% of those without one. Half of those with a financial advisor who will be working at age 66 will do so because they need to (49%) versus 68% of those without an advisor. Among those with a Group Retirement Plan 57% say they'll be working because they need to versus 65% of those without one. The planning support clearly helps Canadians have more choice.

Top Three Reasons for Working Past 65...

Don't believe government pension benefits will be enough to live on: 67% with a view most likely to be held by those aged 50-59 (70%), those in Alberta (71%) and those earning less than \$50,000 household income per year (75%). This view is proportionally more likely to be held by those without a group retirement plan (72%), those without a financial advisor (73%) and those without a written financial plan (71%). By Age those in their fifties are proportionally more likely to hold this view (72% versus only 62% of those in their thirties. There are no differences between the genders. Three quarters of those earning under \$50,000 hold this view versus 60% of those in the higher income brackets.

To earn enough money to pay basic living expenses: 58% -- most likely to be those aged 50-59 (63%) from British Columbia (62%) and earning under \$50,000 per year (68%). This view

is more likely to be those who do not have a group retirement plan (63%), those without a financial advisor (63%) and those without a written financial plan (62%).

To earn enough money to live well: 54% -- most likely to be those aged 30-49 (61%). There are no significant differences across regions, gender, income or between those with or without a group retirement plan, financial advisor or a written financial plan.

Who's Working Past 66 Years of Age?

In 2010, 55% say they will be working beyond the age of 66 -- up a full 10 points (45%) from 2009 and up seven points (48%) from 2008.

Putting this into stark reality is easy: in 2008, 51% of workers aged 30+ indicated that by the age of 66 expected to be fully retired and not working for money; in 2009, it was up to 55%. In 2010 it has dropped a staggering 27 points to 28% with another 13% indicating they are "unsure".

Age wise, those who intend to be fully retired, aged 30-39 have dropped in the past year from 62% to 30% (-32%), those aged 40-49 dropped from 59% to 32% (-27%), those aged 50-59 have dropped from 51% to 27% (-24%) and those aged-65 have dropped from 43% to 17% (-26%). Men have fallen from 47% to 26% (-21%) and women have fallen from 62% to 31% (-31%).

From a provincial and regional perspective, it's Alberta that leads the way with the most precipitous drop having fallen from 60% to 26% (-34%), followed by Ontario from 50% in 2009 to 23% today (-27%), followed by Québec which has dropped from 59% to 33% (-26%), British Columbia down from 50% in 2009 to 27% today (-23%), Saskatchewan/Manitoba down from 61% to 37% (-24%) and Atlantic Canada down from 60% in 2009 to 41% in 2010 (-19%).

Every income bracket has been hit but it's clear that the lower income levels are taking it the hardest on the chin: in 2008, those earning under \$50,000 per year household income were at 41% in the 2010 they are at 16% (-25); in 2008, those earning between \$50,000-\$100,000 were at 56% whereas today they are at 33% (-23) while those earning over \$100,000 household income per year have dropped from 57% in 2008 to 47% in 2010 (-10).

Those most likely to now expect to be working beyond the age of 66 are the older members of our workforce: three quarters (76%) of those aged 60-65 expect to be working -- up a whopping 19 points from 57% just a year ago. With the exception of those aged 30-39 showing no significant change over the last two years at 48% (2010) indicating that they will be working beyond the age of 66, the next two age groups do not go unscathed: those aged 40-49 jump 9 points from 42% to 51%; those aged 50-59 escalate from 46% to 60% (+14).

Looking at the regions and provinces, it's Ontario where there's been the biggest change in expectations: in 2009 49% of workers in the province indicated that they were likely to be working after age 66; today, that number is up 11 points to 60%. Ontario is followed by British Columbia (59% +10), Alberta (59% +19), Québec (48% +7), Saskatchewan/Manitoba (48% +10) and Atlantic Canada (45% up six points from 39% in 2009).

Those without retirement planning support are more likely to say they'll be working than those who have a group retirement plan (GRP) (65% vs. 46% among those who have a GRP), 60% of those without a financial advisor versus 47% of those with one and 58% among those without a written financial plan versus 39% of those with one.

Working Full Time vs. Part Time...

Those expecting to be working full time after the age of 66 has risen from 16% in 2008 and 2009 to 20% (+4) in 2010. Demographically, the biggest jump is among those aged 40-49 (+8%

from 2009) up from 15% to 23% with those aged 50-59 right up behind this group at 20% (+3%). Full-time workers are most likely to be expected in Ontario (25% +7% since 2009) under \$50,000 household income (25%, up eight points since 2008) and those earning \$50,000-\$100,000 (19% to up from 15% in 2008/2009). Full-time workers are also more likely to be male (24% up from 20% in 2009) than female (17% up from 12% in 2009).

Those expecting to work part-time have risen from 32% in 2008 and 29% in 2009 to 35% in 2010 (up six points since 2009). Those workers most likely to indicate they will be working part time after the age of 66 are aged 60-65 (up 23 points since 2009 from 33% to 56%), those aged 50-59 (up nine points from 31% to 40%), and those in the lowest income bracket (39%).

Those workers most likely to indicate they will be putting in post-age-66 part-time work are more likely to be found in B.C. (40%), followed by Alberta (38%), Ontario (35%), Quebec (33%), Saskatchewan/Manitoba (32%) and Atlantic Canada (28%).

On-in-three (32%) are satisfied with how much they are saving for retirement, nearly half (46%) are not.

Satisfaction with how much is being saved, once again shows the tremendous disparity among Canadians by household income with only one-in-five (19%) of those earning under \$50,000 saying they are very or somewhat satisfied and 56% of them saying they are very or somewhat dissatisfied. Over one-third of the middle income households (37%) are satisfied with 41% dissatisfied with their savings. Over half of the high income earners (55%) are satisfied and less than three-in-ten (29%) are dissatisfied.

Regionally those most likely to be very or somewhat satisfied with their retirement savings are to be found in Saskatchewan /Manitoba (45%), Atlantic (41%), Alberta (37%), and Quebec

(33%), while the least proportionally satisfied are to be found in Ontario (27%) and B.C. (28%).

The presence of external retirement planning support makes a great difference to Canadians' satisfaction with how much they are saving for retirement.

Half of Canadians (54%) are confident they'll be able to take care of basic living expenses when retired but fewer are not as sure about having enough for medical expenses (42%), hobbies and interests (39%) and enjoying the lifestyle they want (36%).

Overall lack of confidence in each of these things is greatest among those aged 50 to 59 years of age with 33% saying they are somewhat or very un-confident that they'll be able to take care of basic living expenses (vs. 21% of those aged 30-39 and 24% of those aged 40-49). One can see that the closer to retirement age Canadians get, the less confidence they have. Nearly half (48%) of those in their 50's and early 60s express a lack of confidence in having enough money to enjoy the lifestyle they want versus 39% of those under 50.

The stark impact of household income is apparent here too as confidence in the ability to take care of the basics climbs from a low of 37% among those earning under \$50,000 to 79% among those earning over \$100,000. When it comes to medical expenses a similar pattern emerges with 28% of these in the lowest incomes confident in their ability to handle, rising to 47% among the middle and then to 67% of those earning over \$100,000 p.a. The lowest income earners are even less confident about their abilities to have enough for the extras like hobbies and interests (24%) and enough to enjoy the lifestyle they want (23%) versus 64% and 59% of those in the highest income bracket.

Regionally the most confident Canadians are in Saskatchewan/Manitoba with 70% confident in their ability to cover the basics, followed by those in Atlantic Canada (65%), and 56% of those in Quebec and Alberta. Ontario is the least confident at only 47% followed by B.C. at 52%. A similar pattern exists for being able to take care of medical expenses with Saskatchewan/Manitoba at 59% confidence, followed by Atlantic at 49%, Alberta at 48%, Quebec at 43%, B.C. at 42% and Ontario lagging at 36%. The extras like lifestyle hobbies and interests and lifestyle follow with Saskatchewan/Manitoba at 52% and 48% respectively followed by the Atlantic at 44% and 40%, Quebec at 42% and 39%, Alberta at 41% and 39%, B.C. at 37% and 35% and the hard hit Ontario lagging at 32% and 31%.

Once again we see that the presence of financial retirement planning support gives a great boost to Canadians' confidence. Those with a Group retirement plan are proportionally more likely to express confidence in their ability to be able to take care of the basics, medical expenses, hobbies and interests and lifestyle (63%, 51%, 47% and 43% respectively) than those without one (43%, 32%, 29% and 28% respectively). The greatest difference in confidence comes with a written financial plan. Fully 84% of those with one are confident in being able to take care of the basics versus those without (48%). Two thirds (66%) of those with a plan are confident in their ability to take care of medical expenses versus 38% of those without. Over seven-in-ten are confident they'll have enough for hobbies and interests (73%) and the lifestyle they want (71%) versus those who do not have a plan (32% and 30% respectively).

These are some of the findings of an Ipsos Reid poll conducted November 24 to December 7, 2010, on behalf of Sun Life Financial. For this survey, a sample of 3,422 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



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of this size and a 100% response rate would have an estimated margin of error of +/-1.7 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.

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