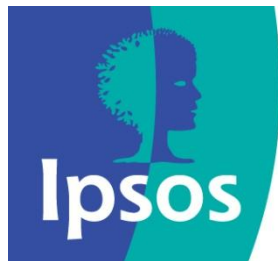


Only One Quarter (27%) of Working Canadians Expect to Be Fully Retired by Age 66

Near Equal Proportion of Canadians Expect to Be Working Full-Time (26%) as Fully Retired (27%) by Traditional Retirement Age

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Near Equal Proportion of Canadians Expect to Be Working Full-Time (26%) as Fully Retired (27%) by Traditional Retirement Age

Toronto, ON – The proportion of Canadians who expect to retire by age 66 has been consistently declining over the last five years, reaching a new low mark in 2012, according to a new Ipsos Reid survey conducted on behalf of Sun Life Financial.

Only one in four (27%) working Canadians, aged 30-65, believe that they will have fully retired by age 66, revealing a decline by almost 50 per cent from 2008 (51%) and more than 50 per cent from 2009 (56%). Majority (58%) believe they will be working in some capacity, whether it is full-time (26%) or part-time (32%) when age 66. One in ten (14%) working Canadians aren't sure what they'll be doing at age 66 because they haven't thought that far ahead, while 1% don't plan on living that long. Interestingly, for the first time since this survey was conducted in 2008, those who plan on being fully retired (27%) by age 66 is almost equal to the proportion of Canadians who expect to be working full-time at age 66 (26%).

The survey also reveals that among those who plan to be working at 66, it is more out of necessity than desire to keep working. Two in three (63%) working Canadians who plan to still be working at age 66 cite the main reason for doing so is because they need to, as opposed to the two in five (37%) who will continue working because they want to. Many working Canadians believe they need to keep working because their retirement income

wouldn't be enough to cover necessary expenses. In fact, three in ten (31%) working Canadians are 'not at all confident' that they'll be able to take care of their medical expenses when receiving retirement income, more so than the number who are 'very confident' (20%) they'll be able to take care of such expenses, and comparable to the half (49%) who are 'somewhat confident'.

Further results show that there is a gap in thinking when it comes to Canadians and their retirement savings. On average, working Canadians expect to be retired for an average of 20 years and anticipate requiring \$46,000 in annual retirement income for retirement, equating to a total requirement of \$920,000. Despite this figure, working Canadians only plan to have approximately \$386,000 in retirement savings, excluding their home or other property, for when they retire. Having said this, more working Canadians believe they are at serious risk of outliving their retirement savings (38%) than not (27%), while one in three (35%) don't know if they're at such a risk.

At the same time, only one quarter (23%) of working Canadians save saving for retirement is their number one financial priority, while paying down debt was the number one priority for half (45%, 30% personal loans or debts/15% credit cards) of working Canadians. Two in ten (19%) believe their number one financial priority is saving or paying for a house, while one in ten (7%) prioritize saving for vacation or other leisure. 4% place top priority on saving or paying for education and 2% prioritize buying life or health insurance to protect against risks.

- Saving for retirement was the top priority for early Boomers in the 57 to 65 age group (37%), ahead of those in the late Boomer (28%) category, aged 47 to 56, while Gen X'ers (12%), aged 30-46, are least likely to place top priority on saving for retirement.



In terms of their investments, interest rates are on the minds of many working Canadians as well. Twice as many working Canadians would like to see the interest rate go up (25%) compared to going down (13%) in 2013. Four in ten (42%) want interest rates to stay the same, while one in ten don't know (12%) if they want interest rates to change in 2013 or they don't care either way (8%).

- Early Boomers (31%) most want to see interest rates go up in 2013, ahead of late Boomers (24%) and Gen X'ers (24%). An equal proportion (14%) of late Boomers and Gen X'ers, however, want interest rates to go down in the coming year, nearly twice as much as early Boomers (8%).



These are some of the findings of an Ipsos Reid poll conducted between November 29th to December 6th, 2012, on behalf of Sun Life Financial. For this survey, a sample of 3,017 working Canadians, aged 30 to 65, from Ipsos' Canadian online panel was interviewed online. Weighting was then employed to balance demographics to 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. The precision of Ipsos online polls is measured using a credibility interval. In this case, the poll is accurate to within +/- 2 percentage points had all Canadians adults 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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