

**CARP Financial Report  
October 19, 2012**

**Key Findings**

**While CARP members themselves are generally comfortable, many have experienced extreme poverty in the past or know someone who has, and they see value in steps which the government can take to prevent this.**

**Two thirds of members live as a couple, say they are financially comfortable and are relatively unworried about the future. Living alone concerns them, and it is the cost, the lack of companionship and the need for eventual medical assistance which concerns them the most**

**A significant minority know someone who has experienced extreme poverty and destitution (if not themselves) and many have had to access capital to pay bills. A significant minority also find Canada's treatment of single poor women a national disgrace or worse, while one half see it as a serious problem requiring immediate attention. One third say the delay in OAS and GIS will negatively impact themselves or someone they know.**

**On average, members say about 30% of their retirement income is comprised of CPP and OAS, and two thirds would have taken a modest pay cut in return for a workplace pension, which they would expect to feature matching employer contributions.**

**Most members say they are neither better nor worse off since the recession began, and most say they (and Canada) are getting neither worse nor better economically. More, however, think we are in recovery now than think we are in recession.**

## Detailed Findings

Two thirds of members live as a couple (68%) and one quarter live alone (25%). Few live in larger households (8%).

### *How many people live in your household?*

<b>Just me</b>	25%
<b>Two people</b>	68%
<b>Three or more</b>	8%

Two thirds say they are financially comfortable (69%), but one third live from cheque to cheque or worse (31%).

### *How would you describe your current financial status?*

<b>Comfortable</b>	69%
<b>Live from cheque to cheque</b>	16%
<b>Just getting by</b>	12%
<b>Not comfortable</b>	3%

The wide majority of members (81%) are comfortable for the future or better, but half worry about outliving their savings (54%). A significant minority are one expense away from catastrophe (9%) or don't know what they'll do to survive (8%).

### *How would you describe your financial outlook for the future?*

<b>Set for life</b>	27%
<b>Comfortable, worried about outliving savings</b>	54%
<b>One unexpected expense away from catastrophe</b>	9%
<b>Don't know how I'll make out</b>	8%
<b>Will have to turn to family/welfare/charity</b>	1%
<b>OTHER</b>	2%

One-in-seven members has or knows someone who has recently declared bankruptcy (15%).

***Have you or has anyone you know declared personal bankruptcy in the past 5 years?***

<b>Yes</b>	15%
<b>No</b>	80%
<b>DON'T KNOW</b>	5%

More than one third know someone who has been extremely poor (38%) and in about one tenth of cases it was the member (7%).

***Have you, or has anyone you know ever experienced extreme poverty, where even basic necessities like food, clothing and shelter were unaffordable?***

<b>YES</b>	<b>38%</b>
Yes, me	7%
Yes, someone I know	31%
No one I know	62%

Four-in-ten have had to access their capital to pay bills (41%).

***Have you had to access the capital in your savings or investments to pay bills?***

<b>Yes</b>	41%
<b>No</b>	54%
<b>DON'T HAVE INVESTMENTS</b>	6%

One quarter of our members are not married and living alone (25%).

Three quarters of members say they have emergency funds they could liquidate if necessary (75%).

***Do you have a source of emergency funds should you need them, such as family you can borrow from or property which can be sold?***

<b>Yes</b>	75%
<b>No</b>	25%

One fifth say they have at least once hit rock bottom financially (20%).

***Have you ever run out of funds, with no alternate source to turn to?***

<b>Yes</b>	<b>20%</b>
<b>No</b>	<b>81%</b>

One quarter of members are living alone and not married (25%), either divorced/separated or widowed, primarily.

***Are you divorced or separated, widowed or never married and still living alone?***

<b>YES</b>	<b>25%</b>
<b>Widowed</b>	<b>11%</b>
<b>Divorced/separated</b>	<b>10%</b>
<b>Never married</b>	<b>4%</b>
<b>NO</b>	<b>62%</b>

One half those who live alone find it more costly than living together (49%).

***If you live alone, do you find it more costly than living with someone else?***

<b>Yes, more costly</b>	<b>49%</b>
<b>Neither more nor less costly</b>	<b>21%</b>
<b>No, less costly</b>	<b>10%</b>
<b>MARGIN IN FAVOUR OF "MORE COSTLY"</b>	<b>+39</b>
<b>DON'T KNOW</b>	<b>6%</b>

Three quarters of members are worried about themselves or their spouse being left alone (72%), about half "somewhat worried" (54%).

***Are you worried about you or your spouse having to live alone one day?***

<b>YES</b>	<b>72%</b>
<b>A great deal</b>	<b>18%</b>
<b>Somewhat</b>	<b>54%</b>
<b>No</b>	<b>26%</b>
<b>DON'T KNOW</b>	<b>2%</b>

Lack of companionship (28%) and sudden medical needs (23%) are the chief reasons members fear themselves or their spouses being left to live alone.

***What is your main concern about living alone?***

<b>Companionship</b>	28%
<b>Unexpected health problems</b>	23%
<b>Higher cost</b>	11%
<b>General assistance</b>	9%
<b>Need for caregiver</b>	8%
<b>Personal security</b>	4%
<b>OTHER</b>	2%
<b>DON'T KNOW</b>	3%
<b>HAVE NO CONCERNS</b>	12%

More than half would prefer to go to a retirement residence if they could no longer live on their own (55%) although a significant minority would like to share housing with other seniors (15%). Moving in with family (8%) or into a nursing home (5%) are not popular options.

***If you could no longer live alone and assisted living services were NOT available, which of the following would be your preferred option?***

<b>Move into retirement home</b>	55%
<b>Share housing with other senior(s)</b>	15%
<b>Move in with family</b>	8%
<b>Move into nursing home</b>	5%
<b>OTHER</b>	3%
<b>DON'T KNOW</b>	15%

Three-in-ten members know someone who lives in a multi-generational home (30%).

***Do you or does anyone you know live in a home with more than two generations present, such as grandparents, parents and children?***

<b>Yes</b>	30%
<b>No</b>	70%

On average, about 30% of member retirement incomes are made up of government entitlements (CPP, GIS and OAS).

***What portion of your total income is made up by CPP, OAS and GIS?***

<b>Less than 10%</b>	13%
<b>10% to 20%</b>	18%
<b>20% to 30%</b>	18%
<b>30% to 40%</b>	13%
<b>40% to 50%</b>	12%
<b>50% or more</b>	20%
<b>AVERAGE</b>	<b>30%</b>
<b>DON'T KNOW</b>	7%

The largest single group of members describe the state of female senior poverty in Canada as “a serious problem” requiring an immediate solution (37%), although close to 3-in-10 describe it as a “national disgrace” or worse (29%).

***One-in-five older women who are divorced, single or widowed, live in poverty in Canada. How would you describe this situation?***

<b>International disgrace</b>	6%
<b>National disgrace</b>	23%
<b>Serious problem, requires immediate solution</b>	37%
<b>Ongoing problem, needs more work</b>	25%
<b>Issue requires more study</b>	3%
<b>Side effect of economic system</b>	3%
<b>NOT A PROBLEM</b>	1%
<b>DON'T KNOW</b>	2%

Three quarters of members claim to have pensions (75%), but many may assume the question includes CPP.

***Do you have a pension?***

<b>Yes</b>	75%
<b>No</b>	25%

Two thirds are open to a modest pay cut (either now or when they were working) in return for a pension (69%).

***Would you take a modest pay cut now, or would you have taken a modest pay cut when you were working in order to get a pension?***

<b>Yes</b>	69%
<b>No</b>	17%
<b>DON'T KNOW</b>	15%

If such a workplace pension plan had existed, its most alluring features might have been matching employer contributions (43%).

***If there were, or had been a voluntary workplace retirement savings plan when you were working, what is, or would have been, most likely to prompt you to contribute to the plan?***

<b>Matching employer contribution</b>	43%
<b>Tax deductible contribution</b>	12%
<b>Payroll deduction</b>	9%
<b>Mandatory contribution</b>	8%
<b>Defined benefit</b>	7%
<b>Tax-free withdrawals</b>	7%
<b>Non-profit administrator</b>	4%
<b>Large investment pool</b>	2%
<b>OTHER</b>	2%
<b>DON'T KNOW</b>	6%

One third say the government's decision to delay OAS from 65 to 67 will impact them financially (33%).

***Will the government's delaying of OAS from 65 to 67 years negatively affect you or anyone you know financially?***

<b>Yes</b>	33%
<b>No</b>	59%
<b>DON'T KNOW</b>	9%

Most members prefer their CPP and OAS cheques to arrive at the same time (60%).

***Currently, CPP and OAS payments are delivered at the same time each month. Some suggest that having one of the payments mid-month would help people meet their needs better. Should there be staggered payments?***

<b>No, same time is better</b>	60%
<b>Yes, staggered delivery better</b>	22%
<b>DON'T GET CPP/OAS</b>	5%
<b>DON'T KNOW</b>	13%

One fifth say they are worse off now than before the market crash (21%), while half this proportion say they are better off (8%). The majority say they have fared the same (70%).

***Are you better off, worse off or about the same as you were when the housing market collapsed in the US in the fall of 2008?***

<b>Better off</b>	8%
<b>About the same</b>	70%
<b>Worse off</b>	21%
<b>MARGIN IN FAVOUR OF "BETTER OFF"</b>	<b>+13</b>
<b>DON'T KNOW</b>	2%

Members are equally unlikely to think their financial status will get better or worse (7% each), and three quarters say it will not change (74%).

***Do you believe your personal financial status will get better from now on, get worse or stay about the same?***

<b>Get better</b>	7%
<b>Stay about the same</b>	74%
<b>Get worse</b>	7%
<b>MARGIN IN FAVOUR OF "BETTER OFF"</b>	<b>0</b>
<b>DON'T KNOW</b>	13%



About twice as many think the economy in Canada is getting worse (35%) than think it's getting better (16%). About half see no change (46%).

***Do you believe the financial situation in Canada is getting better, getting worse or staying about the same?***

<b>Getting better</b>	16%
<b>Staying about the same</b>	46%
<b>Getting worse</b>	35%
<b>MARGIN IN FAVOUR OF "BETTER OFF"</b>	<b>-19</b>
<b>DON'T KNOW</b>	4%

Despite the gloomy assessments, more believe we are now in recovery (27%) than believe we are in recession (20%). Twice this proportion believes neither is the case (43%).

***Are we in recession or recovery now, or neither?***

<b>Recession</b>	20%
<b>Recovery</b>	27%
<b>Neither</b>	43%
<b>MARGIN IN FAVOUR OF "RECESSION"</b>	<b>-7</b>
<b>DON'T KNOW</b>	11%

## Electoral Preference

The Conservatives have been regaining their mojo among our members in the last two waves of polling and are now approaching their traditional one half support (45%). The Liberals (27%) have taken over second place from the NDP (25%), and this can only be ascribed to Justin Trudeau entering the Liberal leadership race.

QuickTime™ and a  
decompressor  
are needed to see this picture.

***More than 3100 CARP Poll™ panel members responded to this poll between June 10 and 13. The margin of error for a probability sample this size is plus or minus 1.8%, 19 times out of 20. That is, if you asked all members of the CARP Poll™ panel the identical questions, their responses would be within 2%, either up or down, of the results shown here, 95% of the time***