

Article

2007 General Social Survey Report

The retirement puzzle: Sorting the pieces



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The retirement puzzle: Sorting the pieces

by Grant Schellenberg and Yuri Ostrovsky

Planning for one's financial future involves resources and skills. Information and data about markets and investments, such as indices, rates of return, currency valuations, and interest rates, surround us every day. In addition to literacy and numeracy skills, which are essential to filter, select, interpret and apply this information, financial management skills are also needed to navigate consumer markets. Mortgages, credit lines, investment accounts, cell phone plans and lease and purchase choices are just some of the products that come with a bewildering variety of options. Technological advances have further altered the financial landscape, with on-line banking and investing perhaps the most obvious examples. In this complex environment, consumers must "...be actively engaged if they are to manage their finances effectively."¹

Do I have enough for retirement? is a question that older workers ask themselves before leaving the workplace. Answering it, however, is not simple. It requires knowledge of public retirement income programs and the benefits they offer, as well as estimates of future income from registered retirement savings plans (RRSPs), pension plans and other savings. Here too the landscape is complex, with pension plans available in a 'bewildering variety of forms.'²

While much attention has been focused on the financial resources of Canadians approaching retirement, much less has been devoted to their 'informational resources.' To what extent do Canadians have the information they need to plan for retirement? Do they understand Canada's public retirement income programs? Do they have a clear sense of the retirement benefits they will receive from their pensions? This article uses data from the 2007 General Social Survey (GSS) to glean insights on the informational resources of non-retired Canadians aged 45 to 59, referred to in the article as near-retirees (See "What you should know about this study" for a complete description).

Financial industry, the top source of retirement advice

Respondents to the 2007 GSS who had not yet retired were asked several questions about financial and retirement information:

- *From whom if anyone do you typically get financial advice, including advice about retirement planning and programs?*
- *How well do you understand public retirement programs such as CPP or QPP or Old Age Security? Is it very well, somewhat or not at all?*

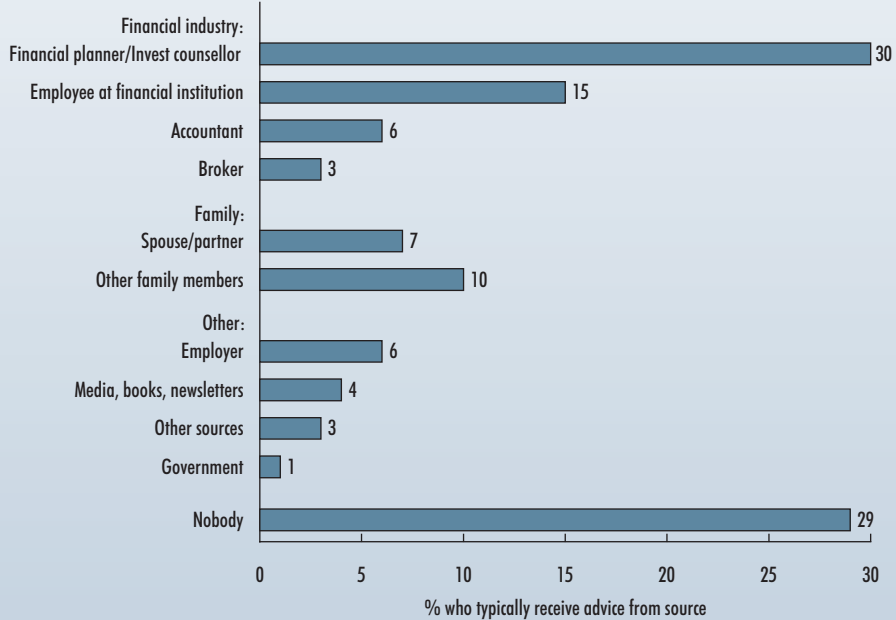
- *During the past 5 years, have you gathered retirement information? For example, talked with a consultant or attended a course?*

Questions were not asked, however, about the quality of the advice received or whether it was acted upon.

Results from the 2007 GSS indicate that most near-retirees (71%) receive financial advice from at least one source. Often—in about half of cases—this comes from the financial industry, with 30% of near-retirees receiving advice from financial planners or investment counsellors, 15% from employees at financial institutions, 6% from accountants and 3% from brokers (Chart 1). About 17% receive financial advice from family members or friends and a further 15% from other sources, including employers, media sources, publications, and federal and provincial governments. Finally, 29% of near-retirees report that they do not typically receive financial advice from any source. Respondents could choose more than one option; thus the total exceeds 100%.

In addition to looking for financial advice, some 45% of near-retirees reported gathering retirement information (i.e., taking a course or talking with a consultant) some time over the previous five years in preparation for retirement.³

Chart 1 Three in ten near-retirees typically receive financial advice from financial planners or investment counsellors



Note: Total exceeds 100% because respondents could identify more than one source.
 Source: Statistics Canada, General Social Survey, 2007.

Knowledge of public retirement income programs

Most near-retirees say they have some knowledge of Canada’s public retirement income programs, with about one-fifth (19%) saying they understand these programs ‘very well’ and about one-half (55%) saying they understand them ‘somewhat.’ However, about one-quarter (25%) of near-retirees report that they do not understand these programs ‘at all.’

There is some overlap between the 29% of near-retirees who do not typically receive financial advice and the 25% who do not understand public retirement income programs: 11% of near-retirees neither typically receive advice nor understand ‘at all’ these programs.

A number of factors are associated with the likelihood of receiving financial advice, understanding public programs and gathering retirement information. These include how close one is to retirement,

What you should know about this study

Data for this paper were drawn from Statistics Canada’s 2007 General Social Survey (GSS). The target population for the 2007 GSS was all persons 45 years of age and over residing in Canada, excluding residents of Nunavut, the Yukon and Northwest Territories, and full-time residents of institutions.

The 2007 GSS used a **subjective definition of retirement**. Individuals who said their “main activity” during the previous 12 months was “retired” were identified as retirees, as were individuals who provided a positive response to the question “Have you ever retired from a job or business?” A definition of retirement was not provided.

Our analysis of **near-retirees** is limited to GSS respondents who 1) are aged 45 to 59, 2) have not previously retired and, 3) are either employed or had employment during the 12 months preceding the survey.

Based on GSS results, there were 7.2 million Canadians aged 45 to 59 in 2007. Of these individuals, 80% were either

currently or recently employed at the time of the 2007 GSS and had not previously retired. Virtually all respondents in this group (over 99%) answered the GSS questions regarding their retirement plans.

Of the 45- to 59-year-olds excluded from our analysis, about one-quarter were working at the time of the survey, but said they had already retired at least once before (accounting for 4.9% of all 45- to 59-year-olds). Just over one-quarter had retired from the workforce and were no longer working (accounting for 5.6% of all 45- to 59-year-olds). About half were no longer working but said they had never retired—mostly women who left the labour force earlier in life (accounting for 9.7% of all 45- to 59-year-olds). Adjustments have not been made to account for any possible selection bias introduced into our sample by the exclusion of individuals who have already retired. Overall, our sample of 9,241 respondents is representative of approximately 5.7 million non-retired Canadians aged 45 to 59.

financial resources, employment and demographic characteristics. The relationships between these characteristics and the informational resources of near-retirees are highlighted in Tables A.1 through A.5.

Canadians look for information as they draw closer to retirement

Individuals who are close to retirement, are more likely to seek out retirement-related information. The data show a strong relationship between the number of years until the planned age of retirement and the likelihood of receiving advice or information. For example, 83% of individuals who plan to retire within five years typically receive financial advice from at least one source, while this is the case for 67% of those whose retirement is 15 or more years away (Chart 2). Likewise, those who are closer to retirement are more likely to say they

understand public retirement income programs somewhat or very well and to have gathered information about retirement in general.

However, it is necessary to take financial resources and other characteristics (such as age, employment, income) into account, as these are associated with both the timing of retirement and knowledge about retirement issues. When these factors are accounted for, the relationship between fewer years to retirement and greater likelihood of receiving advice and gathering information generally remains significant, but is somewhat weaker than descriptive statistics indicate (Table A.4).

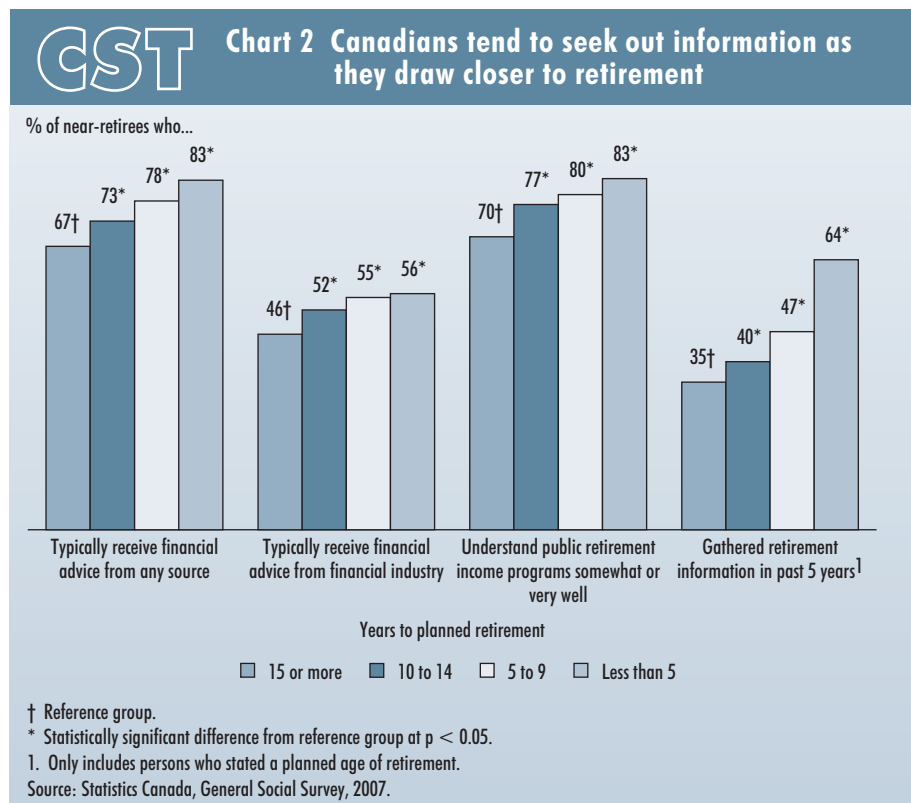
Overall, it appears that individuals tend to search for information as they draw closer to retirement. Whether they leave themselves enough time to act on the advice or information they receive is an important issue, but one for which the GSS does not provide information.

People with more invested in RRSPs are more likely to seek financial and retirement information

Both financial and informational resources are important for a successful retirement, raising the question of how the two are connected. For example, one might expect RRSP contributors to be most likely to obtain financial advice, seeking it out in order to effectively manage their own portfolio or receiving it from the financial agents who manage their accounts. Indeed, the vast majority (88%) of individuals who have contributed to an RRSP in the past five years and have accumulated RRSP assets of over \$100,000 receive financial advice from at least one source (Table A.1). Three-quarters of them receive advice from the financial industry.⁴ In contrast, just over half (52%) of near-retirees who have not recently contributed to an RRSP⁵ receive financial advice from any source, and only about three in ten receive advice from the financial industry.

Similarly, the share of near-retirees who understand public retirement income programs 'somewhat' or 'very well' and the share who have gathered retirement information are both positively associated with RRSP contributions and accumulated assets. The same relationship holds for household income, which is not surprising given that RRSP contributions are related to income.

Again, these differences could also be attributable to other factors. For example, compared with individuals who have lower incomes and few RRSP assets, those with higher incomes and greater assets may be closer to retirement and hence more likely to seek out retirement-related advice and information. When these factors are accounted for, however, the strong and significant association between financial characteristics and informational resources remains. For example, compared with near-retirees who have not recently contributed to

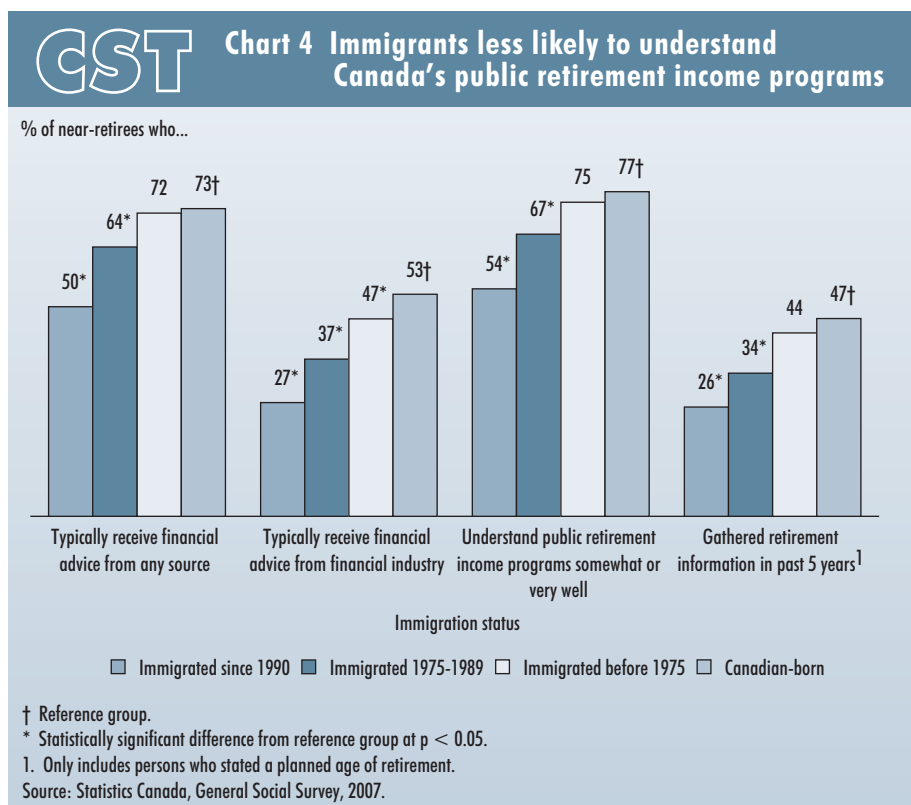
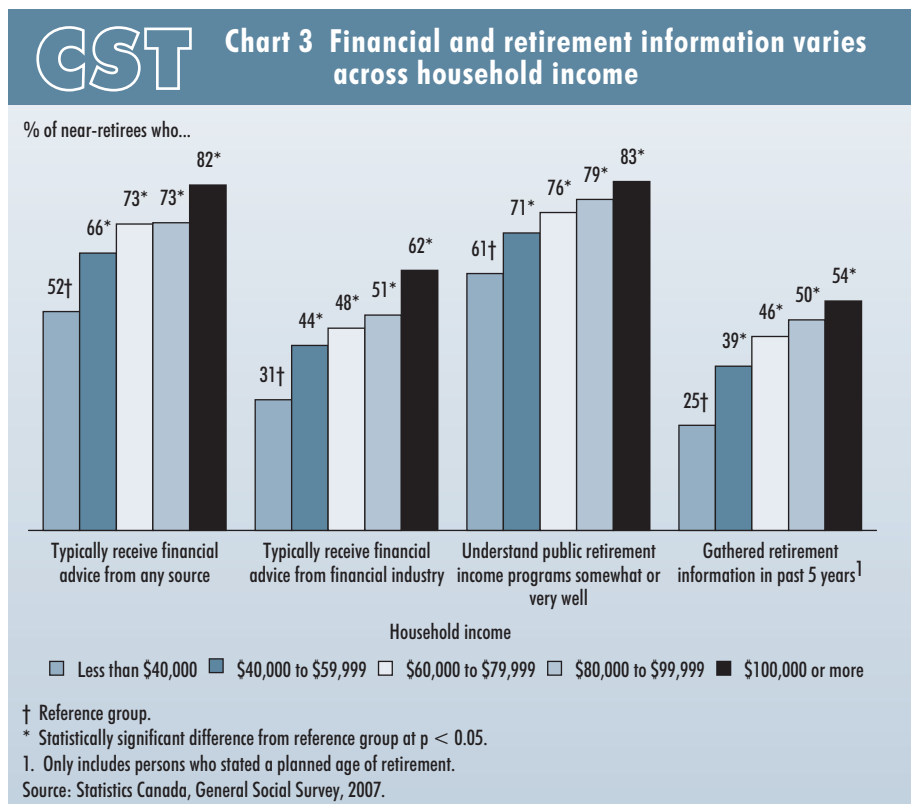


an RRSP, the likelihood of receiving financial advice from any source is 13 percentage points higher among those who have contributed and have accumulated assets under \$50,000 (Table A.4). The difference between non-contributors and contributors with assets of more than \$100,000 is 22 percentage points.⁶ Likewise, even after accounting for the number of years to retirement, a significant relationship remains between informational resources and household income (Chart 3).

Immigrants less likely to report understanding Canada's public retirement income programs

Knowledge of retirement programs varies widely among individuals of different backgrounds and characteristics. Most notable is the difference in the extent to which immigrants who arrived in Canada since 1990 and their Canadian-born counterparts receive financial advice and information (Table A.2). While almost three-quarters of Canadian-born near-retirees typically receive financial advice from at least one source (73%), this is the case for just half of post-1990 immigrants (50%). Likewise, these immigrants are about half as likely as the Canadian-born to receive financial advice from the financial industry (27% and 53% respectively). Immigrants who arrived since 1990 are also less likely to say they understand Canada's public retirement income programs or to have gathered retirement information. Large differences between these groups remain when other factors, such as household income and RRSP contributions, are taken into account (Table A.4).

Informational resources also vary with other demographic characteristics, such as self-rated health and marital status, although these relationships are at least partly attributable to differences in financial and employment characteristics. An in-depth analysis of the association between informational resources and self-rated health is beyond the scope



of this paper, but further research on the topic is warranted.

Almost one in six pension plan members don't know what type of plan they have

The 2007 GSS also asked respondents if they had a pension plan through their employment and if so, if their pension benefits "...are calculated using a formula (such as 2 percent of your income per year of service) or vary depending on how the pension funds are invested?" Response categories to this question include 1) *calculated using a formula*, 2) *vary depending on how pension funds are invested*, 3) *other* and 4) *don't know*. It is the 'don't know' category which is of particular interest to this analysis.

Accurate information about one's employer-sponsored retirement plan is often considered key to deciding

the timing of retirement, the role personal savings will play and the allocation of one's portfolio between safe and risky investments. Such information is especially important since, unlike many registered pension plans (RPPs), group RRSPs require workers to decide whether to participate and, if so, how much to contribute. An earlier Statistics Canada study found that 4% of full-time permanent employees in the private sector reported having an RPP or group RRSP, but were employed by a firm that provided neither.⁷

Evidence from the 2007 GSS shows that of the near-retirees with pension coverage (paid employees only)⁸,—16% — or almost one in six — do not know what type of plan they have (Table A.5). Across industries, such uncertainty is most prevalent among plan members in

consumer services and professional and business services (at 21%) and least prevalent among those in public administration (12%). Furthermore, uncertainty is most common among employees with fewer years in their jobs and lower annual incomes.

Financially informed Canadians more confident that their retirement income will be adequate

To conclude, an important question is whether the informational resources discussed above have implications for retirement planning and transitions. This is a difficult question to answer given that retirement may still be several years away for GSS respondents in the 45 to 59 age group. However, some insights can be gained by considering near-retirees' expectations about the adequacy of

CST Multivariate models

Three outcome variables are used in the multivariate models. First, logistic regression models are used to identify the factors associated with the likelihood of receiving financial advice from any source, receiving financial advice from the financial industry, and gathering retirement information. Second, an ordered logit model is used to identify the characteristics associated with understanding Canada's public retirement income programs very well, somewhat well or not at all well.

The model pertaining to gathering retirement information is limited to the 75% of near-retirees who answered the questions about their planned age of retirement.

Demographic predictor variables in the model include sex, age, age squared, marital status, educational attainment, immigration status and health status. Employment characteristics include whether the person is self-employed or not, unionization, job tenure and occupation. Financial characteristics include household income, RRSP contributions in the previous five years and the value of accumulated RRSP assets, housing tenure and number of years to planned retirement. All models are calculated using bootstrap weights to correct variance estimates for survey design.

Results from the multivariate models in Table A.4 and Table A.6 are shown as 'marginal effects' for ease of interpretation. The marginal effects show the predicted probability of an outcome (e.g. expecting retirement income to be less than adequate, barely adequate or adequate) between categories of an independent variable. For example, our model shows that if other characteristics are held at their mean values, it is predicted that individuals not living in a married/common-law relationship are 3 percentage points less likely to receive financial advice from at least one source than those living in a married/common-law relationship.

Finally, an ordered logit model is used to identify the factors associated with the likelihood of expecting one's retirement income to be adequate, barely adequate or less than adequate. In addition to the predictor variables listed above, receipt of financial advice, understanding of Canada's public retirement income system and gathering retirement information are also included as predictor variables.

their retirement savings. Specifically, near-retirees were asked:

When you do retire, how adequate do you think your household income and investments will be to maintain your standard of living? Will it be more than adequate, adequate, barely adequate, inadequate or very inadequate?

Most near-retirees (68%) expect their retirement income to be adequate or more than adequate to maintain their standard of living, 19% expect it to be barely adequate, and 9% less than adequate.⁹ But do individuals who receive financial advice, understand public retirement income programs and gather retirement information feel more confident about their financial future than those who do not?

To answer this question, a statistical model was constructed to estimate the relationship between a broad range of variables and expectations of the adequacy of retirement income.¹⁰ Of central interest are the associations between informational resources and these expectations. Results from Table A.6 show how people's knowledge about retirement issues changes their expectations of whether their retirement income will be adequate or not. For example, the model predicts that about 74% of near-retirees expect their retirement income to be adequate or more than adequate.¹¹ Individuals who received financial advice from any source were 7 percentage points more likely to expect their retirement income to be adequate or more than adequate than those who did not receive financial advice.

Broadly speaking, then, financial literacy is associated with an increase in the likelihood of expecting retirement income to be adequate and a decrease in the likelihood of expecting that it will be inadequate.

Conclusion

While much attention is devoted to the financial resources Canadians accumulate en route to retirement, much less is generally said about their informational resources. Results from the 2007 GSS show that about one in three near-retirees do not typically receive financial advice from any source, with this proportion far larger among groups such as lower-income households and recent immigrants. The same holds true for knowledge of public retirement income programs. While most near-retirees say they understand public retirement programs and the basic structure of their pension, a significant proportion do not. Furthermore, individuals who do not receive advice and information regarding retirement express greater uncertainty about their financial future than those who do, even after other characteristics are taken into account. Our data do not make clear whether the absence (or presence) of such information will have significant impacts on the capacity of individuals to make a successful transition into retirement. However, it does appear that some of these near-retirees may be lacking the informational resources needed to navigate a financial marketplace characterized by increasing complexity and sophistication.


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1. Braunstein, Sandra and Carolyn Welch (2002). Financial Literacy: An Overview of Practice, Research, and Policy". *Federal Reserve Bulletin* (November).

2. Frenken, Hubert (1995). Pension plan potpourri. *Perspectives on Labour and Income*. (2), 20-27. Statistics Canada, Catalogue no. 75-001-XIE.
3. Only near-retirees who stated a planned age of retirement were asked if they had gathered retirement information in the past five years.
4. The financial industry is defined as financial planners or investment counsellors, employees at financial institutions, accountants and brokers.
5. Throughout this article, 'recent' RRSP contributions are those made within the five years prior to the survey.
6. This is based on the 'marginal effects' of RRSP characteristics when other characteristics in the multivariate model are set to their mean values.
7. Morrisette, René and Zhang, Xullin (2004). Retirement plan awareness. *Perspectives on Labour and Income*, 5(1). Statistics Canada, Catalogue no. 75-001-XIE.
8. This portion of the analysis is restricted to paid employees. Under pension legislation, self-employed operators of unincorporated businesses are not eligible to participate in RPPs. The 2007 GSS does not contain information on whether self-employed respondents operate incorporated or unincorporated businesses.
9. The remaining 3% say they do not know if their retirement income will be adequate. See Schellenberg, G. and Ostrovsky, Y. (2008). The retirement plans and expectations of older workers. *Canadian Social Trends*, 86. Statistics Canada, Catalogue no. 11-008-XIE.
10. The explanatory variables included in the model are gender, marital status, education, immigration status, health status, industry, class of worker and unionization, job tenure, years to planned age of retirement, pension coverage, RRSP contributions and accumulated assets, household income, understanding of public retirement income programs, receipt of financial advice and gathering of retirement information. Two versions of the model were run, one including receipt of financial advice from any source and one including receipt of financial advice from the financial industry.
11. The predicted probabilities are calculated with the independent (or predictor) variables in the model set to their average values.

Table A.1 Informational resources of near-retirees, by financial characteristics, Canada, 2007

	Typically receive financial information from...		Understand public retirement income programs...		Gathered retirement information during past 5 years ¹
	Any source	Financial industry	Not at all	Somewhat or very well	
	percentage				
Total	70.9	49.5	25.3	74.7	44.9
Years to planned retirement					
Less than 5 years	82.8*	56.4*	16.7*	83.3*	64.0*
5 to 9 years	77.7*	55.2*	20.3*	79.7*	47.0*
10 to 14 years	73.1*	52.1*	22.9*	77.1*	39.7
15 years or more †	67.4	46.2	30.3	69.7	35.2
Don't know/Don't intend to retire	58.3*	40.0*	33.6*	66.4*	24.9 ^E
Pension coverage					
Yes	75.7*	50.0	21.2*	78.8*	51.3*
No †	66.4	49.5	28.8	71.2	36.4
Inconsistent answers ²	67.9	47.3	29.9	70.1	42.3
Contributed to a registered retirement savings plan (RRSP) in the past five years					
No †	51.7	28.2	34.8	65.2	27.7
Yes	78.9*	58.3*	21.4*	78.6*	51.0*
Yes – Assets under \$50,000	71.4*	45.8*	26.7*	73.3*	42.6*
Yes – Assets \$50,000 to \$100,000	83.7*	64.6*	15.9*	84.1*	56.2*
Yes – Assets higher than \$100,000	88.2*	75.0*	15.4*	84.6*	61.9
Yes – Assets not stated	77.6*	55.7*	26.2*	73.8*	44.4*
Pensions and RRSP					
No pension/No RRSP †	46.4	27.2	37.0	63.0	17.9
No pension/Yes RRSP	78.2*	62.4*	23.8*	76.2*	45.0*
Yes pension/No RRSP	59.5*	29.4	29.7*	70.3*	38.1*
Yes pension/Yes RRSP	80.4*	55.9*	18.8*	81.2*	55.0*
Inconsistent answers ²	68.1*	47.5*	30.0*	70.0*	42.4*
Personal income					
Less than \$20,000 †	58.8	35.8	35.8	64.2	29.0
\$20,000 to \$39,999	62.5	41.8	32.6	67.4	33.9
\$40,000 to \$59,999	73.2*	49.9*	23.4*	76.6*	48.4*
\$60,000 to \$79,999	77.0*	52.8*	19.5*	80.5*	52.6*
\$80,000 or more	81.9*	63.2*	16.7*	83.3*	55.0*
Not stated	68.7*	49.3*	26.8*	73.2*	40.8*
Household income					
Less than \$40,000 †	52.3	30.5	38.6	61.4	24.6
\$40,000 to \$59,999	65.7*	44.0*	29.1*	70.9*	38.9*
\$60,000 to \$79,999	72.6*	47.9*	24.4*	75.6*	45.8*
\$80,000 to \$99,999	73.2*	51.1*	21.5*	78.5*	49.8*
\$100,000 or more	81.7*	61.9*	17.2*	82.8*	54.4*
Not stated	67.0*	46.3*	30.4*	69.6*	39.2*
Housing tenure					
Rented †	54.4	30.1	35.9	64.1	34.8
Owned with mortgage	71.1*	48.2*	25.4*	74.6*	43.4*
Owned without mortgage	78.0*	59.5*	20.3*	79.7*	51.2*

† Reference group.

* Statistically significant difference from reference group at $p < 0.05$.

1. Only includes persons who stated a planned age of retirement.

2. About 10% of respondents provided inconsistent answers to the two questions about pension coverage and are treated as a separate category.

Source: Statistics Canada, General Social Survey, 2007.

Table A.2 Informational resources of near-retirees, by demographic characteristics, Canada, 2007

	Typically receive financial information from...		Understand public retirement income programs...		Gathered retirement information during past 5 years ¹
	Any source	Financial industry	Not at all	Somewhat or very well	
	percentage				
Total	70.9	49.5	25.3	74.7	44.9
Gender					
Men†	69.1	49.4	23.4	76.6	45.8
Women	72.9*	49.5	27.5*	72.5*	43.9
Age group					
45 to 49 years†	69.8	47.2	27.7	72.3	41.3
50 to 54 years	72.1	52.6*	24.6	75.4	45.3
55 to 59 years	71.1	48.8	22.2*	77.8*	50.9*
Marital status					
Married/Common-law†	72.9	51.6	23.8	76.2	46.2
Other	63.4*	41.4*	30.8*	69.2*	39.8*
Education					
High school or less†	65.7	44.7	29.1	70.9	39.3
Certificate or diploma from a college or a trade school	74.1*	51.8*	24.6*	75.4*	47.7*
University degree	75.0*	53.6*	20.7*	79.3*	49.5*
Immigration status					
Canadian-born†	73.2	52.8	22.9	77.1	47.4
Immigrated before 1975	71.6	47.0*	25.0	75.0	43.8
Immigrated between 1975 and 1989	64.3*	37.2*	33.0*	67.0*	34.2*
Immigrated since 1990	50.0*	26.6*	46.1*	53.9*	25.5*
Self-assessed health					
Excellent†	76.5	57.0	22.3	77.7	49.0
Very good	74.1	52.1*	22.7	77.3	45.6
Good	63.7*	41.8*	29.9*	70.1*	40.1*
Fair or poor	58.5*	35.1*	34.5*	65.5*	42.6
Province of residence					
Newfoundland	55.8*	34.3	22.0	78.0	36.8*
Prince Edward Island	67.7	45.1	24.3	75.7	41.0
Nova Scotia	69.8	49.5	25.8	74.2	48.0
New Brunswick	70.5	45.7	24.8	75.2	45.0
Quebec	68.9	47.7	23.8	76.2	39.7*
Ontario†	72.1	50.2	26.7	73.3	46.0
Manitoba	72.2	49.7	27.3	72.7	45.6
Saskatchewan	72.6	55.9	24.3	75.7	53.1
Alberta	73.1	53.5	23.9	76.1	51.8
British Columbia	70.8	48.7	25.5	74.5	44.9

† Reference group.

* Statistically significant difference from reference group at $p < 0.05$.

1. Only includes persons who stated a planned age of retirement.

Source: Statistics Canada, General Social Survey, 2007.

Table A.3 Informational resources of near-retirees, by labour market characteristics, Canada, 2007

	Typically receive financial information from...		Understand public retirement income programs...		Gathered retirement information during past 5 years ¹
	Any source	Financial industry	Not at all	Somewhat or very well	
percentage					
Class of worker					
Paid employees †	71.1	47.8	24.9	75.1	45.6
Self-employed	71.1	57.0*	26.7	73.3	40.7*
Unionization					
Unionized employees	73.0	46.3	22.9*	77.1*	48.6*
Non-unionized employees †	69.7	48.9	26.4	73.6	43.6
Industry²					
Primary industries	68.1	53.7	24.0	76.0	37.8
Construction	62.1	45.9	32.8	67.2	40.1
Utilities and manufacturing †	68.8	46.4	25.5	74.5	45.4
Distributive services	67.8	49.5	27.9	72.1	43.1
Financial services, insurance and real estate	69.6	48.0	20.4	79.6	45.4
Professional and business services	73.7	54.9*	23.2	76.8	43.4
Consumer services	68.0	46.7	30.1	69.9	38.3*
Health, education, social services	76.4*	52.9*	24.5	75.5	48.8
Public administration	76.0*	46.6	15.0*	85.0*	56.5*
Occupation					
Management	77.8*	61.2*	19.7*	80.3*	53.4*
Professional	77.9*	55.5*	18.8*	81.2*	52.1*
Technologists or technicians	76.5*	53.5*	25.9	74.1	51.9*
Clerical	74.7*	51.5*	21.4*	78.6*	48.4*
Sales and services	64.2	42.9	32.3	67.7	36.3
Trades, transportation and equipment operators	63.8	40.0	31.7	68.3	37.6
Occupations in primary industries	64.4	51.2*	24.8	75.2	36.4
Occupations in processing, manufacturing and utilities †	60.3	38.1	31.1	68.9	32.6
Job tenure					
Less than 10 years †	65.5	46.1	30.2	69.8	39.6
10 to 19 years	74.1*	52.5*	23.6*	76.4*	46.9*
20 or more years	77.2*	52.4*	18.9*	81.1*	50.9*

† Reference group.

* Statistically significant difference from reference group at $p < 0.05$.

1. Only includes persons who stated a planned age of retirement.

2. Primary industries include agriculture, forestry, mining and oil and gas.

Distributive services include wholesale trade, transportation and warehousing.

Professional and business services include professional, scientific and technical, management and administrative services.

Consumer services include retail trade, food and accommodation, recreation and other services.

Information and cultural services are included with health, education and social services.

Source: Statistics Canada, General Social Survey, 2007.

Table A.4 Predicted probability of informational resources among the near-retirees by various demographic and employment characteristics, Canada, 2007

	Typically receive financial advice from		Understand public retirement income programs			Gathered retirement information in the past 5 years ¹
	Any source	Financial industry	Not at all	Somewhat	Very well	
	percentage					
Predicted probability of outcome	74.4	49.9	23.4	58.5	18.0	40.3
Difference associated with change in...	percentage points					
Years to planned retirement						
Less than 5 years	9.2	ns	-3.8	0.4	3.4	22.9
5 to 9 years	4.6	ns	-2.8	0.4	ns	6.1
10 to 14 years	ns	ns	-2.9	0.4	2.6	ns
15 years or more	rg	rg	rg	rg	rg	rg
Don't know / Don't intend to retire	-7.0	-8.7	ns	ns	ns	ns
Age						
Age squared	ns	ns	ns	ns	ns	ns
Gender						
Men	rg	rg	rg	rg	rg	rg
Women	5.5	ns	6.2	-1.1	-5.1	-3.2
Marital status						
Married/Common-law	rg	rg	rg	rg	rg	rg
Other	-3.0	ns	ns	ns	ns	ns
Immigration status						
Canadian-born	rg	rg	rg	rg	rg	rg
Immigrated before 1975	ns	-7.0	ns	ns	ns	-5.9
Immigrated between 1975 and 1989	-7.2	-15.6	7.2	-2.2	-4.9	-10.3
Immigrated since 1990	-11.2	-19.0	13.5	-5.5	-8.0	-11.6
Self-assessed health						
Excellent health	rg	rg	rg	rg	rg	rg
Very good health	ns	ns	ns	ns	ns	ns
Good health	-5.6	-6.8	4.9	-1.1	-3.7	ns
Fair or poor health	-7.8	-11.1	6.6	-2.0	-4.6	ns
Unionization						
Non-unionized employees	rg	rg	rg	rg	rg	rg
Unionized employees	ns	ns	ns	ns	ns	ns
Self-employed	ns	8.7	ns	ns	ns	ns
Occupation						
Management	7.3	10.3	-5.1	ns	ns	13.5
Professional	7.0	6.8	-6.4	ns	6.0	12.7
Technologists or technicians	9.6	10.8	ns	ns	ns	16.8
Clerical	7.6	9.7	-5.8	ns	5.5	14.3
Sales and services	4.8	ns	ns	ns	ns	8.4
Trades, transportation and equipment operators	5.3	ns	ns	ns	-3.8	ns
Occupations in primary industries	ns	11.8	ns	ns	ns	ns
Occupations in processing, manufacturing and utilities	rg	rg	rg	rg	rg	rg
Additional year of job tenure						
	ns	-0.2	-0.2	0.03	0.1	ns
Housing tenure						
Housing rented	rg	rg	rg	rg	rg	rg
Housing owned with mortgage	ns	8.5	ns	ns	ns	ns
Housing owned without mortgage	5.0	13.1	ns	ns	ns	ns
Housing tenure not stated or other	ns	10.6	ns	ns	ns	ns

Table A.4 Predicted probability of informational resources among the near-retirees by various demographic and employment characteristics, Canada, 2007 (continued)

	Typically receive financial advice from		Understand public retirement income programs			Gathered retirement information in the past 5 years ¹
	Any source	Financial industry	Not at all	Somewhat	Very well	
percentage points						
Household income						
Less than \$40,000	rg	rg	rg	rg	rg	rg
\$40,000 to \$59,999	3.7	7.9	ns	ns	ns	10.8
\$60,000 to \$79,999	5.3	6.6	-3.7	0.4	3.3	14.0
\$80,000 to \$99,999	ns	7.6	-5.3	ns	5.0	15.7
\$100,000 or more	5.6	8.1	-4.4	0.6	3.8	12.8
Not stated	ns	ns	ns	ns	ns	ns
Pension coverage						
No	rg	rg	rg	rg	rg	rg
Yes	ns	-4.6	ns	ns	ns	7.9
Inconsistent answers ²	ns	ns	3.7	ns	-2.8	5.8
Contributed to a registered retirement savings plan (RRSP) in the last five years						
No	rg	rg	rg	rg	rg	rg
Yes – Assets less than \$50,000	12.5	17.7	ns	ns	ns	13.0
Yes – Assets \$50,000 to \$100,000	18.3	30.6	-6.7	ns	6.5	23.9
Yes – Assets greater than \$100,000	22.1	37.7	-6.4	ns	6.1	28.0
Yes – Assets not stated	16.0	26.6	ns	ns	ns	17.3

rg Reference group.

ns Not significant.

1. Only includes persons who stated a planned age of retirement.

2. About 10% of respondents provided inconsistent answers to the two questions about pension coverage and are treated as a separate category.

Note: Percentage point differences in this table are to be interpreted by comparing them to the reference group in each category. For instance, it is predicted that women will be 5.5 percentage points more likely than men to state that they typically receive financial advice from at least one source.

Source: Statistics Canada, General Social Survey, 2007.

Table A.5 Percentage of members of employer-sponsored pension plans, who report that they don't know what type of pension plan they have, Canada, 2007

	Don't know percentage		Don't know percentage
Total	15.9*	Industry¹	
Gender		Primary industries	14.9 ^E
Men †	11.7	Construction	14.9 ^E
Women	20.3*	Utilities and manufacturing †	15.1
Marital status		Distributive services	15.2
Married/Common-law †	15.0	Financial services, insurance and real estate	14.4
Other	19.1*	Professional and business services	20.8 ^E
Education		Consumer services	20.7
High school or less †	18.3	Health, education, social services	16.9
Certificate or diploma from a college or a trade school	16.4	Public administration	11.5
University degree	12.5*	Unionization	
Immigration status		Unionized employees	16.4
Canadian-born †	13.9	Non-unionized employees †	15.2
Immigrated before 1975	17.3	Job tenure	
Immigrated between 1975 and 1989	27.4*	Less than 10 years †	22.6
Immigrated since 1990	29.8*	10 to 19 years	15.7*
Self-assessed health		20 or more years	10.4*
Excellent †	12.6	Personal income	
Very good	15.1	Less than \$40,000 †	26.8
Good	19.9*	\$40,000 to \$59,999	15.6*
Fair or poor	21.3*	\$60,000 or more	8.2*

† Reference group.

* Statistically significant difference from reference group at $p < 0.05$.

1. Primary industries include agriculture, forestry, mining and oil and gas.

Distributive services include wholesale trade, transportation and warehousing.

Professional and business services include professional, scientific and technical, management and administrative services.

Consumer services include retail trade, food and accommodation, recreation and other services.

Information and cultural services are included with health, education and social services.

Source: Statistics Canada, General Social Survey, 2007.

Table A.6 Predicted probability of expected adequacy of retirement income, by informational resources of the near-retirees, Canada, 2007

	Expect retirement income to be...		
	Inadequate or very inadequate	Barely adequate	Adequate or more than adequate
		percentage	
Predicted probability of outcome	6.2	19.4	74.4
Difference associated with change in...	percentage points		
Receive financial advice from any source			
Yes	-2.3	-4.8	7.1
No	rg	rg	rg
Receive financial advice from financial industry			
Yes	-1.6	-3.6	5.2
No	rg	rg	rg
Understand public retirement programs			
Not at all	rg	rg	rg
Somewhat	-1.9	-4.2	6.1
Very well	-3.7	-9.2	12.9
Gathered retirement information			
Yes	ns	ns	ns
No	rg	rg	rg

rg Reference group.

ns Not significant.

Note: Percentage point differences in this table are to be interpreted by comparing them to the reference group in each category. For instance, it is predicted that those receiving financial advice from any source will be 2.3 percentage points less likely than those not receiving financial advice to state that they expect their retirement income to be inadequate or very inadequate.

Source: Statistics Canada, General Social Survey, 2007.