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First Results from the Survey of Older Workers, 2008


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Statistics Canada

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Acronyms

The following acronyms are used in this publication:

AARP	American Association of Retired Persons
CATI	Computer Assisted Telephone Interviews
CFCS	Canadian Financial Capability Survey
CPP	Canadian Pension Plan
GIS	Guaranteed Income Supplement
LFS	Labour Force Survey
LICO	Low Income Cut Off
NAICS	North American Industry Classification System
OAS	Old Age Security
QPP	Quebec Pension Plan
RPP	Registered Pension Plan
RRIF	Registered Retirement Income Fund
RRSP	Registered Retirement Savings Plan
SOC-90	Standard Occupational Classification
SOW	Survey of Older Workers

Highlights

Identified below are some of the key findings from the survey.

- Five million Canadians between the age of 50 and 75 were working or had worked in the previous 2 years.
- Over 90% of older workers felt very satisfied or satisfied with their current position despite the fact that more than 40% found that position to be either “quite a bit” or “extremely” stressful.
- There is a significant difference between older workers and the general working age population in the proportion working as paid employees versus those who were self-employed.
- Self-employed older workers have a larger percentage at the lowest income level, but, unlike the other categories, the self-employed also have a larger percentage at the very highest earning category.
- Of the older workers who were unemployed, nearly half (48%) believed that their unemployment would not affect the timing of their retirement and they would still retire as planned. Twenty-seven percent (27%) believed they would retire sooner due to their unemployment, and 25% believed their retirement plans would be delayed.
- Over twelve percent of the Older Workers (657,000 Canadians) reported having lost a job due to displacement (a job loss due to layoff, plant/business closure or downsizing) since the age of 50.
- Eighty-two percent (82%) of older workers who looked for work right after their displacement found employment.
- Of those who returned to work after their displacement, almost half reported earning significantly less (at least 25% less) than their previous position,
- Of those older workers who were currently working and never retired (roughly 78% of the SOW sample), over half (54%) indicated plans to continue working part-time after retirement.
- Eighty-eight percent (88%) of public sector workers indicated that they would be receiving a workplace pension in retirement, dropping to just 40% for private sector workers.
- One third of older workers are unclear as to the requirements surrounding the relationship between labour force status and access to their CPP / QPP benefits.

Chapter 1: Introduction

The baby boom of the 1940's and fifties is clearly translating into an ever increasing population entering or nearing "retirement". In fact, the trend is only beginning to have an impact on the labour force and recent Statistics Canada projections indicate that, "...it is expected that the proportion of the labour force aged 55 years and older will reach between 18% and 20% in 2021, about double that observed in the mid-1990s".¹ Similarly, in 2005, the number of workers per retired persons aged 65 or older was about 5 to 1. This ratio is expected to fall to about 2 to 1 by 2031.²

As the Canadian population ages and prepares to exit the workforce, concern mounts among employers and policy makers alike about the increasing attrition of skill and "corporate" knowledge, and the effects of this large population shift on the Canadian health and income safety net. The concern lies not only in wondering how the existing workforce can prepare for these departures in terms of training and knowledge transfers, but also in how prepared those leaving are for their own retirement. Fewer wage earning workers typically equates to lower tax revenues for governments while increased numbers of retirees is more typically associated with higher public spending. As a result, there is a concern that as the population ages and commensurably as the baby boomers live longer, stresses on the health system, public pensions, and supplement programs such as GIS and OAS liabilities will continue to accrue.

These projections have led many researchers to focus on the potential consequences of large-scale retirement from the workforce. Since 1976, the median retirement age has fallen from 65 to nearly 62 in 2008 as more Canadians are choosing retirement at a younger age³.

The implications of this trend towards early retirement are in many ways similar to those identified earlier for the general demographic trends of the aging population:

"When an individual stops working earlier, the annual pension income he receives for the rest of his life typically will be smaller than if he retired later. Earlier retirement means that the build-up of savings stops sooner, and that the existing savings must be stretched over more years. As well, actuarial reductions imposed on the pension of those who retire early might reduce their income from both public and employer-provided pensions. Furthermore, the economy as a whole loses a worker and the government loses the workers tax payments on employment income."⁴

Such commentaries are interesting since, for the most part, recent research on the aging workforce has demonstrated an intention by older workers to remain in the workforce longer⁵. Similarly, a growing body of literature that has investigated employee commitment, motivation and other factors affecting employee retention has led to a variety of employer supported arrangements designed to maximize employee engagement and provide a working environment

capable of keeping workers for longer periods of time.⁶ Yet, the average retirement age remains near its historical low of the late 1990's. How does one justify this apparent disconnect between intentions and reality? What are the factors that are provoking this measured "early" retirement? How do they interact with other factors that push people to work beyond their planned age of retirement?

One factor determining whether an older worker remains in the workplace is the degree to which he or she is engaged in the work they are doing and how they are perceived by their employers. While it is projected that low income rates among retirees are declining and will continue to decline⁷, not all Canadians will be financially able to retire from work, even if they desire to do so.⁸

"There has been a clear improvement in the economic situation of Canadian seniors since the 1980s, but a substantial number of seniors continue to live under very difficult economic conditions...[with]close to 7% of seniors liv[ing] under the LICO [Low Income Cut Off]"⁹

While financial incentives are compelling reasons to continue working, some older workers may, after an initial retirement, feel a need for the social and intellectual interactions of the workplace or for more physical activity. This in turn, may lead some to re-enter the workforce regardless of their financial situation.¹⁰

Health issues may also affect retirement plans, this time forcing an earlier labour force withdrawal than anticipated to either recover, or care for an ailing spouse or aging parent.¹¹ Notwithstanding health issues, retirement plans are often a joint decision sometimes coordinated such that the plans of one affect those of the spouse or partner.

Layoffs, plant closures, shift reductions, business bankruptcy are all factors that lead to the displacement of workers. Such events can be particularly difficult for older workers who, in many cases, may have invested a fair amount of their working life, building a career with a specific employer. What are the ramifications of displacement later in life? Do they lead to an earlier than anticipated withdrawal from the labour market; or, do they instead force workers to stay in the labour market longer in an effort to replenish savings depleted by the loss of employment?

In all the decision to retire is complex and mutable with a definition of retirement that often does not include an abandonment of the work force. The overall objective of the Survey of Older Workers was to collect policy-relevant information on the work and retirement plans of older workers in Canada.

What is the Survey of Older Workers?

The Survey of Older Workers (SOW) is a new survey that was conducted in October and November of 2008. The survey was conducted on behalf of Human Resources and Skills Development Canada with the objective to develop a statistical database providing estimates surrounding the issues of work and retirement as perceived by older workers in the 10 provinces.

The SOW was implemented as a supplement to the Labour Force Survey (LFS) and its target population is a sub-set of the LFS. Residents of the Yukon, Northwest Territories and Nunavut, persons living on Native Reserves, full-time members of the Canadian Armed Forces and inmates of institutions are excluded from the SOW. The fundamental objective of the SOW is an attempt to understand the components that are integral in the decision to either continue working or retire.

This monograph provides a first look at the data from the Survey of Older Workers. The report looks at labour force attachment and detachment (both voluntary and involuntary), as they pertain to Canadian *workers* aged 50 to 75. By design the report seeks to provide a descriptive overview of the major findings of the Survey of Older Workers while addressing the major themes of the survey: What are the intentions of older workers in relation to working versus retirement? What plans have they made to ensure the feasibility of these intentions? The report will also provide information on which types of employer provided incentives would most effectively encourage older workers to remain in their “career” job longer.

Logistically, the paper is organized to first examine the labour force attachment of older workers in Chapter 2 followed by a brief overview of unemployment and displacement issues surrounding older workers in Chapter 3; Chapters 4 and 5 focus on the retirement expectations (both timing and income) of older workers.

Who is an older worker?

For the SOW, and consequently throughout this report, an older worker is a respondent aged 50 to 75 years who is either still working or had worked in the past 24 months prior to the interview. As such, this report does not represent the situation and perceptions of all people aged 50 to 75 and can not be directly compared to more generalized results presented by other Statistics Canada analytical products.

Chapter 2: Labour force attachment of older workers

Employment and retirement among older workers in Canada

The Survey of Older Workers was designed to gather information on older Canadians who were still directly attached to the labour market or had had a recent attachment. As such, the results do not represent those of all older Canadians.

To place this in some context, over five million Canadians were represented by the Survey of Older Workers (e.g. between the age of 50 and 75 who were working or had worked in the previous 2 years). By contrast, the general population counts (regardless of labour force attachment) as reported by the 2008 Labour Force Survey, showed nearly 9 million people aged 50 to 75 in Canada. This, in effect works out to an exclusion of some 4 million people aged 50 to 75 from the results presented in this report. Most of these excluded people would have been retired or otherwise detached from the labour force for over 2 years and it is clear that their experience with regard to the labour force may differ substantially from those of their attached cohort. As depicted in Table 2.1, the rate of exclusion logically becomes more pronounced as age increases (along with the likelihood of retirement).

Table 2.1
Survey populations by age groups, SOW and Labour Force Survey, 2008

Age	Labour Force Survey	Survey of Older Workers number
50 to 54 years	2,505,100	2,119,200
55 to 59 years	2,115,400	1,652,500
60 to 64 years	1,767,200	983,400
65 to 69 years	1,305,600	383,000
70 to 75 years	1,254,600	120,100
Total represented population 50 to 75	8,947,900	5,258,200

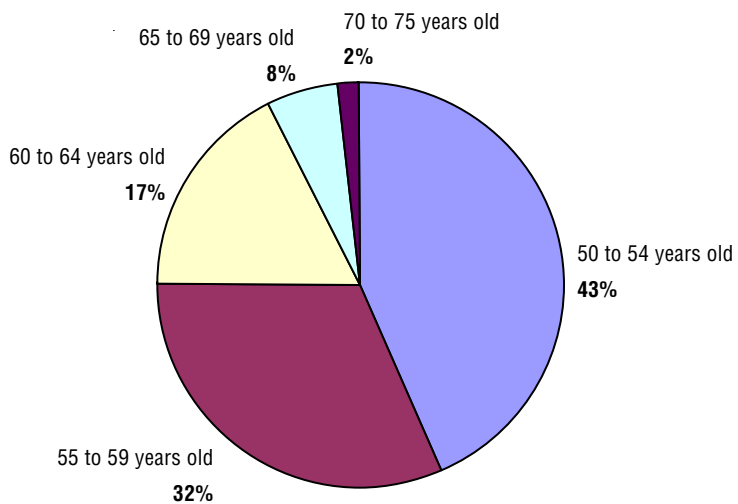
Nevertheless, the survey results represents nearly 20% of the working aged population (15 and older).

Overall, the employment rate of the population of older workers was 86% with a further 4% indicating that they are still active in the labour force (not working but looking for work).¹² The remaining older workers had either retired or were unable to work (though they had worked in the previous 24 months). Again, it is worth noting that these percentages are skewed by the population under investigation. The labour force survey shows that fewer than fifty-five percent of people aged 50 to 75 were working at the time of the survey (2008).

Of those who said that they were not working (the last 3 categories in Table A.2.1), 59% said that they were retired at the time of the interview.¹³ Consistent with the National median mentioned earlier, the median age of this retired group was 62 (compared to a median of 55 years for those who were not retired). Gender is more or less equally split in each of these work categories with slightly more males indicating that they were working and previously retired (58% male; 42% female) and not working and unable to work (54% males; 46% female.).

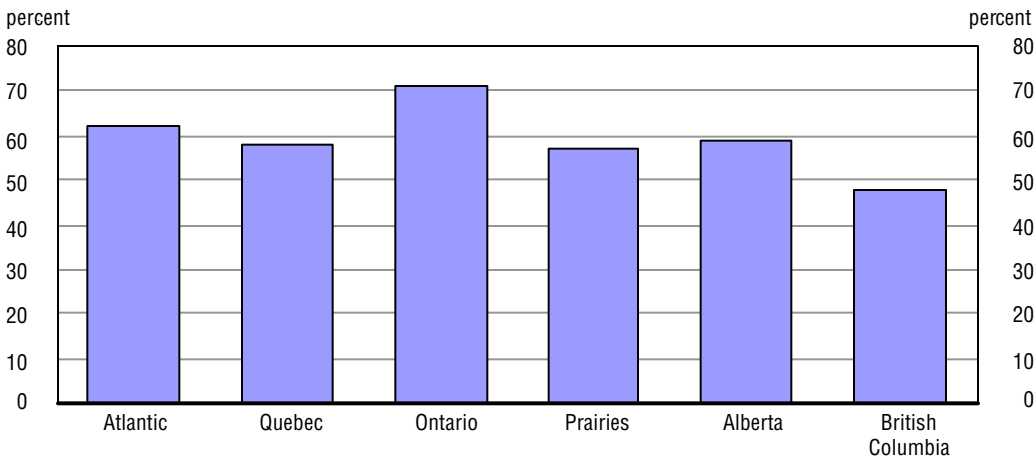
Chart 2.1 (below) illustrates the age distribution of the 90% of older workers who are still in the labour force (either working or looking for work). Fully three-quarters of those still in the labour force were under the age of 60 and only 25% of those over 60 still held some labour force attachment.

Chart 2.1
Grouped age older workers still in the labour force (working or looking for work)



Provincial distributions of work status show a slightly lower percentage of older workers with jobs in the Atlantic provinces (81% for the 4 Atlantic provinces, versus 87% for the rest of Canada), but, generally speaking, there is very little significant difference in the provincial distributions. However, as evidenced by Chart 2.2, of those who were not working, the distribution of retired versus not retired demonstrated considerable variation with the largest percentage of retirees in the Prairies and the smallest in the Atlantic region.

Chart 2.2
Incidence of retirement amongst older workers who were not working by region, 2008

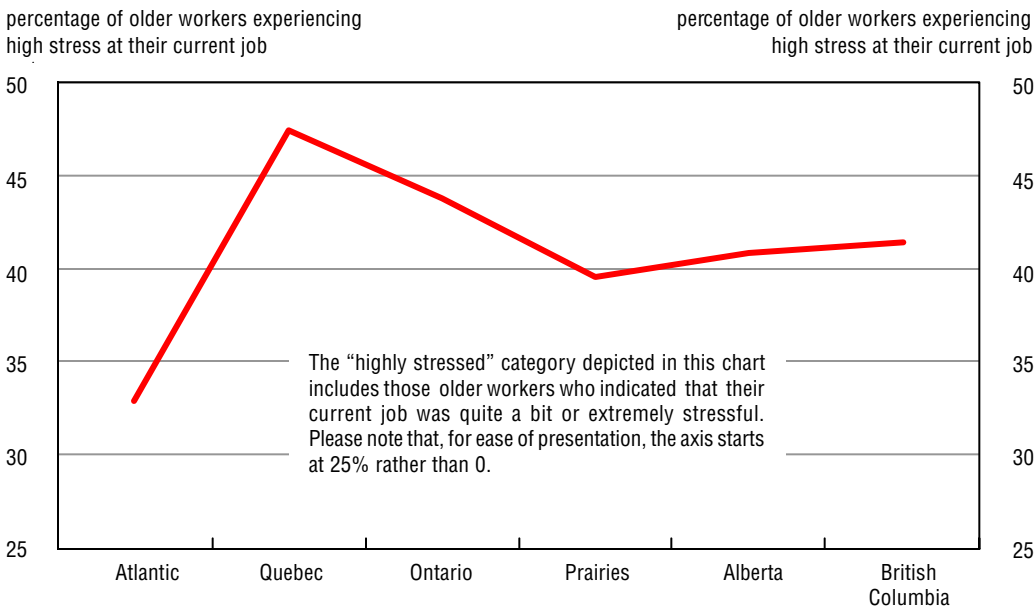


Note: To improve the quality of these estimates, certain provinces have been collapsed together. The Prairies include Manitoba and Saskatchewan; Atlantic includes New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador.

Job satisfaction and stress for older workers

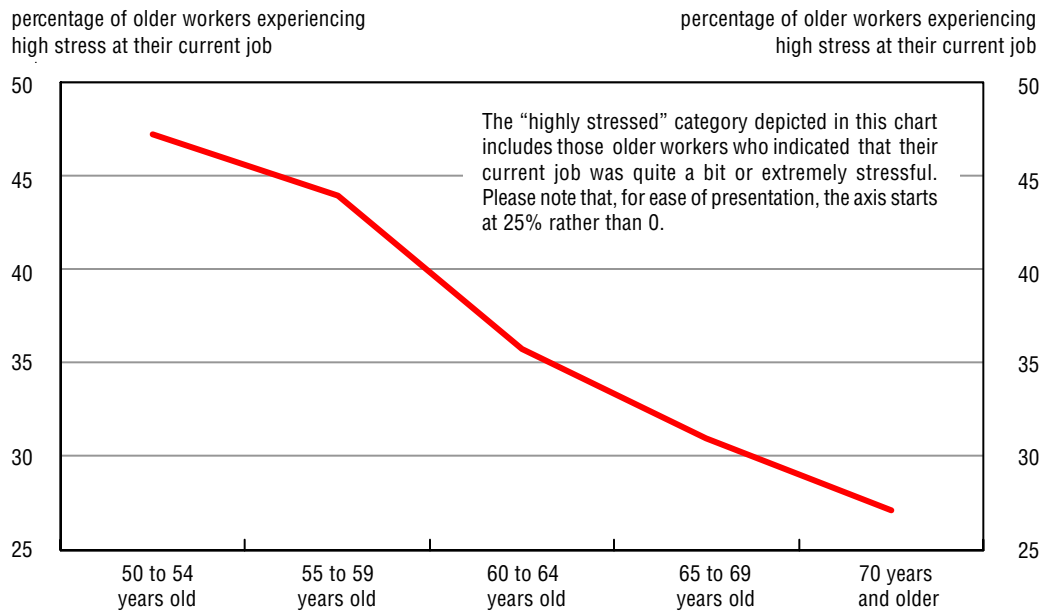
By and large, older workers in Canada indicated that they were satisfied with their jobs. Over 90% of workers felt very satisfied or satisfied with their current position despite the fact that more than 40% found that position to be either “quite a bit” or “extremely” stressful. Indeed, while gender and age have little effect, older workers in the Atlantic Region are considerably less stressed at work (33%) than those in the rest of the country, particularly in Ontario and Quebec which peaks at 48% of older workers reporting a high level of stress at work.

Chart 2.3
Percentage of older workers indicating high stress in their current job by Region



Likewise, the age of the respondent (Chart 2.4) produced a distinct pattern as stress clearly decreased as the age of the older worker increased.¹⁴

Chart 2.4
Percentage of older workers indicating high stress in their current job by grouped age



Self employment

There is a significant difference between older workers and the general working age population in the proportion working as paid employees versus those who were self-employed. During collection of the Survey of Older Workers, the LFS reported that 85% of working Canadians over 15 years of age were paid employees working for an employer; the remaining 15% were self-employed.¹⁵ By contrast, The SOW demonstrates that 77% of Older Workers worked for an employer and 23% declared themselves to be self-employed. This difference can in part be explained by the older male workers. While the gender composition of paid employees is similar (53% of paid employees are females while 47% are males). Sixty-eight percent (68%) of self employed were men and only 32% were women. Women in the study followed the Canadian average with 85% working for an employer and 15% self-employed. It was the older male workers who pushed the mean away from the national average with 71% working for an employer and 29% self-employed. Table 2.2 shows the percentage of older self-employed workers steadily increases as one moves from east to west.

Table 2.2
Regional distribution of employed and self-employed older workers

	Atlantic	Quebec	Ontario	Prairies	Alberta	British Columbia
	percent					
Paid employee	82	81	78	76	73	71
Self-employed	18	19	22	24	27	29

There is likewise a slight variation in education between these two groups of workers with a greater percentage of self-employed workers having at least some university education (33% of self employed versus 26% for paid employees). This is mirrored at the other extreme with a larger percentage of paid employees (35%) with high school or less, compared to fewer than 30% of self-employed workers with this lower level of educational attainment.

Full time, part-time, permanent or temporary

The survey revealed nearly 3.8 million of the employed working full-time (84%) and less than 1 million working part-time (16%), these figures are consistent with national averages of workers aged 15 and over. As with the general working aged population (15 years and older and with the population 15 to 49), a significantly higher percentage of older female workers (24% of women versus 10% for male older workers) have part-time rather than full-time jobs. Equally consistent with the general working age population is the distribution of temporary versus permanently employed older workers with 91% of workers in a permanent work situation.¹⁶

Income of Older Workers

The SOW collected gross personal income information in four categories, the lowest category was for those earning less than \$25,000 per year and the highest was for those earning over \$75,000 per year. Not surprisingly, older workers who are out of the labour force, working part-time or working in temporary jobs have lower annual incomes than those still in the labour force, working full-time or in a permanent job. Self-employed workers likewise have a larger percentage at the lowest income level, but, unlike the other categories, the self-employed also have a larger percentage at the very highest earning category, (See Table A.2.11).

Regardless of the work situation, female older workers are consistently over represented at the lowest earning category and under represented at the highest, particularly when compared to the income of their male counterparts.

Chapter 3: Unemployment and displacement of older workers

Unemployment

The financial insecurity experienced by people faced with unexpected and sudden unemployment is a stressful experience. About 4% of older workers indicated that they were not working but looking for work. Of these 220,000 plus older workers, forty-eight percent were women and fifty-two percent were men. Almost three quarters (74%) of these older workers indicated that they were willing to learn new skills in order to regain employment. However, only 27% of the same group indicated that they would be willing to move (relocate) in order to achieve the same outcome. Over sixty percent (60%) of these indicated that the largest barrier to moving was family ties or obligations; 36% indicated community attachment and friends as the largest barrier; while the third most important impediment identified were the costs associated with housing and moving (33%).¹⁷

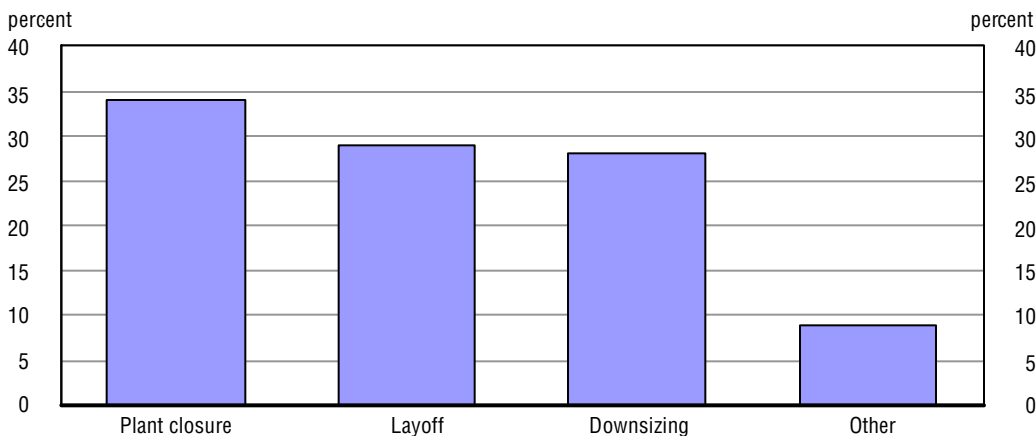
As for those unemployed and unable to work (46% female and 54% male), long term disability was almost always the cited reason (75%) with short-term illness or disability a distant second mention with fourteen percent. Sixty-nine percent (69%) of those unable to work agreed that they would go back to work if their health improved, but just over one in five (22%) indicated that there was nothing that could be done to get them back to the work.

Nevertheless, of the older workers who were unemployed, nearly half (48%) believed that their unemployment would not affect the timing of their retirement and they would still retire as planned. Twenty-seven percent (27%) believed they would retire sooner due to their unemployment, and 25% believed their retirement plans would be delayed.

Displacement

As indicated earlier, losing a job is typically a traumatic life event, with many Canadian families depending on a regular income for their own financial security. With prolonged unemployment, savings meant for retirement may be called upon immediately and unless replenished in short order may have negative consequences on future retirement income; thus increasing potential reliance on the public pension system. Losing a job due to a displacement such as a layoff, plant closure, a business downsizing or business bankruptcy can often be overwhelming. Not only is the individual job gone, but those similarly qualified individuals working at that same business are likewise gone and oftentimes younger colleagues are suddenly competing for the same scarce jobs. Over twelve percent (12%) of the older workers (657,000 Canadians) reported having lost a job due to displacement since the age of 50.¹⁸ Fifty-seven percent (57%) of these were males and forty-three percent (43%) were females. Generally speaking, the bulk of these (59%) reported that their most recent displacements occurred between the ages of 50 and 54.

Chart 3.1
Reasons for displacement since age 50, SOW 2008



Eighty-one percent (81%) of older workers who looked for work right after their displacement found employment (58% in less than six months). Similarly, the majority (63%) of all older workers displaced since the age of 50, regardless of whether they were looking for work, were working again in less than 6 months from the time of their displacement and nearly three-quarters (73%) found full time employment. Of those who did not look for work after their displacement, twenty-nine percent (29%) became self-employed and fourteen (14%) percent retired immediately following their displacement.

It is worth noting that the immediate experience following displacement may have changed by the time the survey was conducted. For instance, the worker may not have looked for work after displacement because they expected to be recalled or, they may have initially retired, and later re-entered the labour market, or, conversely, they may have found a job after their displacement, but since retired. Of those who had experienced a displacement after the age of 50, seventy-three percent (73%) were still working at the time of the survey (either at their old job or in a new one). A breakdown of the remaining 26% who were not working at the time of the survey shows that 17% were looking for work and the remaining 10% had withdrawn from the labour market (9% retired and 1% were no longer able to work). The largest obstacles to re-employment identified by older displaced workers were “no work available” (23%) followed by “wages too small” (21%) and “age barrier” (15%). Thirty-one percent (31%) of displaced older workers indicated that they perceived no barriers to finding a new job.

Of older workers who remained displaced due to layoff, over half (54%) did not expect to be recalled or knew the layoff was permanent. Of those who returned to work after their displacement, almost half reported earning significantly less (at least 25% less) than their previous position, 39% were re-employed at pretty much the same earning level and only 13% wound up earning considerably more (at least 25% more) than what their previous position had paid. Moreover, of those who found employment, over 91% were employed in a different company and 57% were employed doing a different type of work. However, most (93%) managed to find employment in the same community.

Chapter 4: Retirement expectations

Timing of Retirement

Of those older workers who were currently working and never retired (roughly 78% of the SOW sample), the majority of those with a specific retirement age in mind (88%) planned to exit their current careers by age 65. But when asked if they planned to retire completely, over half (54%) indicated plans to continue working part-time. A more modest 3% indicated a desire to find full time employment after their “retirement”.

Chart 4.1
Age of planned retirement from current job and labour force

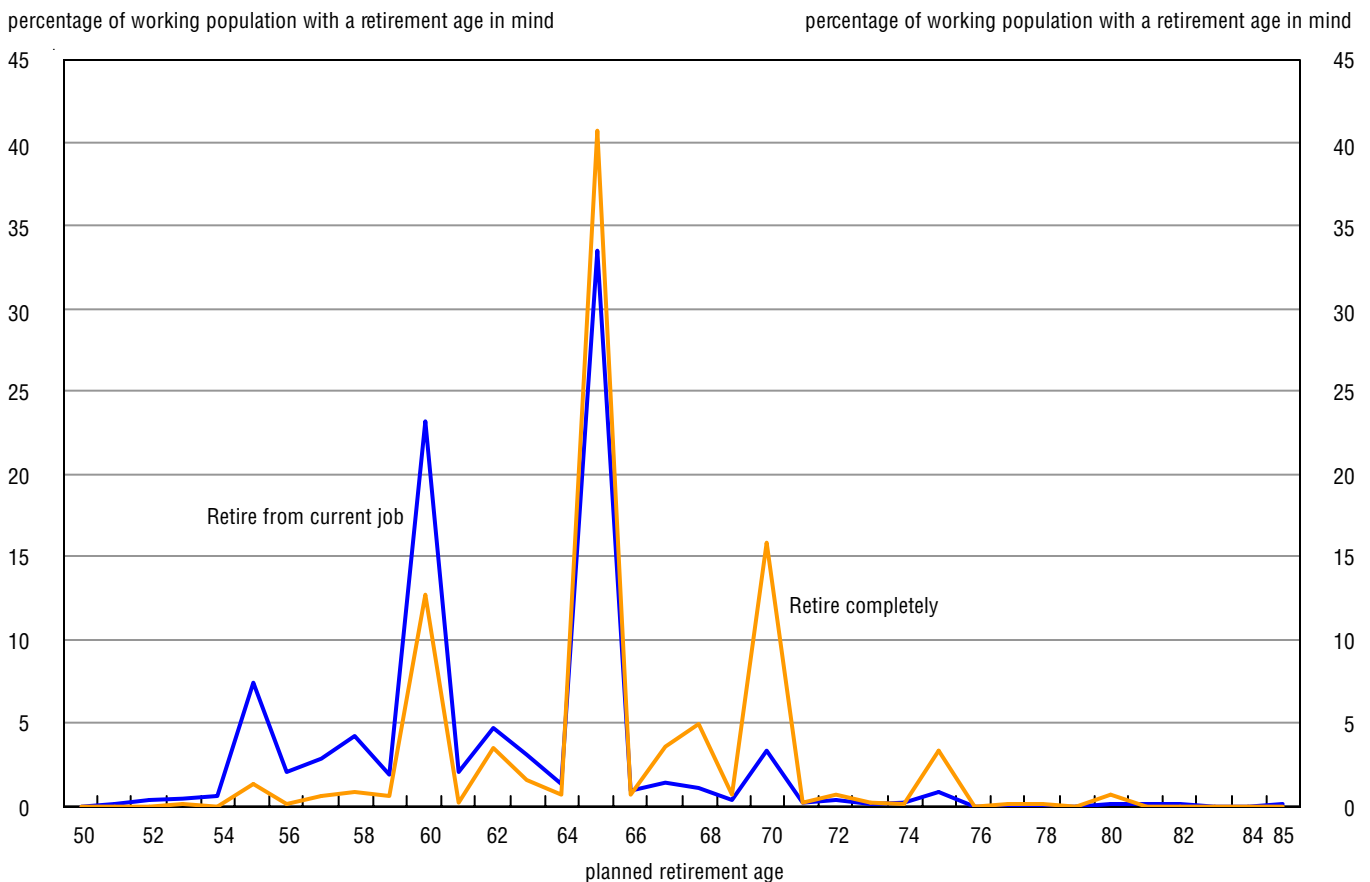


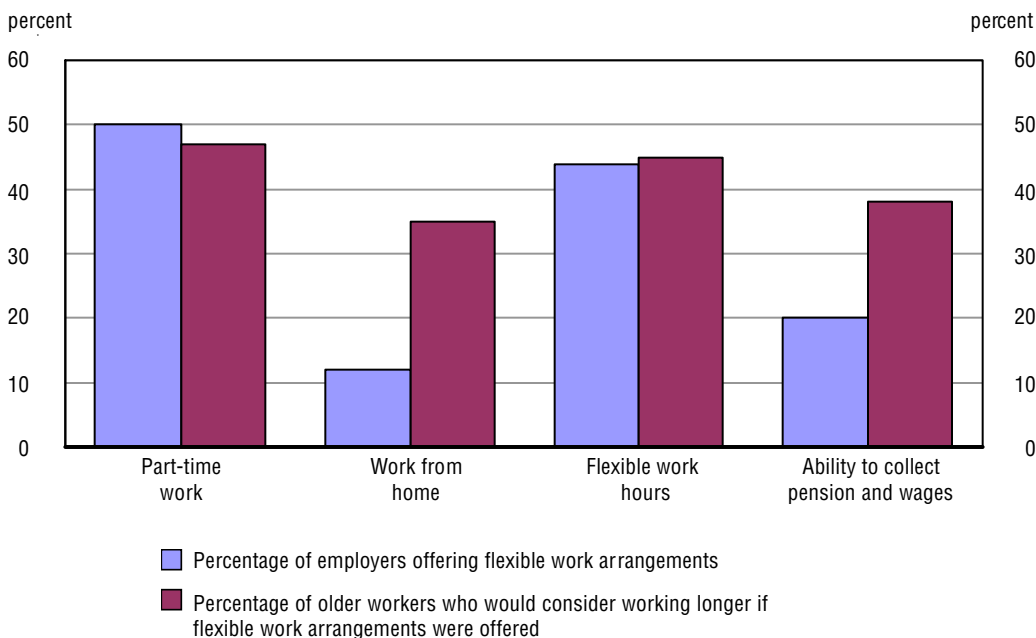
Chart 4.1 illustrates the planned retirement age of older workers currently in the labour force both from their current job, and, presumably from the labour force. It is interesting to note the clustering of ages, reflecting, some shared notions of when retirement is most appropriate. Occurring every five years, these clusters peak at age 65, the age when Canadians can first access their unreduced Public Pension.¹⁹

The largest proportion of the population who were either currently or previously retired had retired for the first time between the ages of 55 and 59. The vast majority (81%) had retired on a voluntary basis. Eighty-three percent (83%) of all currently retired respondents had never returned to work since their retirement and of that group, only 4% had tried to find employment.

Incentives to working longer

Offering such arrangements as working part-time, working from home, working flexible hours as well as the ability to collect one’s workplace pension while remaining at work could significantly increase an employers’ ability to retain the skills and abilities of their older workers for longer than originally anticipated. Looking at the chart below we observe that with the exception of some part-time work arrangements, many older workers are not currently offered the above-mentioned alternative work options. Also noticeable is the fact that, should they so desire, there is much that employers can do to entice their workers to remain in the workforce longer than originally planned. For instance, while only 12% of older workers are provided the option to work at home, 35% of older workers would welcome such a program and indicated that they would remain in the workforce longer should it be offered. Likewise, 38% of older workers indicated that they would work longer if they would be allowed to collect their pension as well as a wage but only 20% of employers offer the option. Perhaps the most established program, the availability of working part-time, is also the most popular option from an employer’s point of view (half of employers offer this option), and employees with 47% of older workers indicating that they would consider working longer if offered such an option.

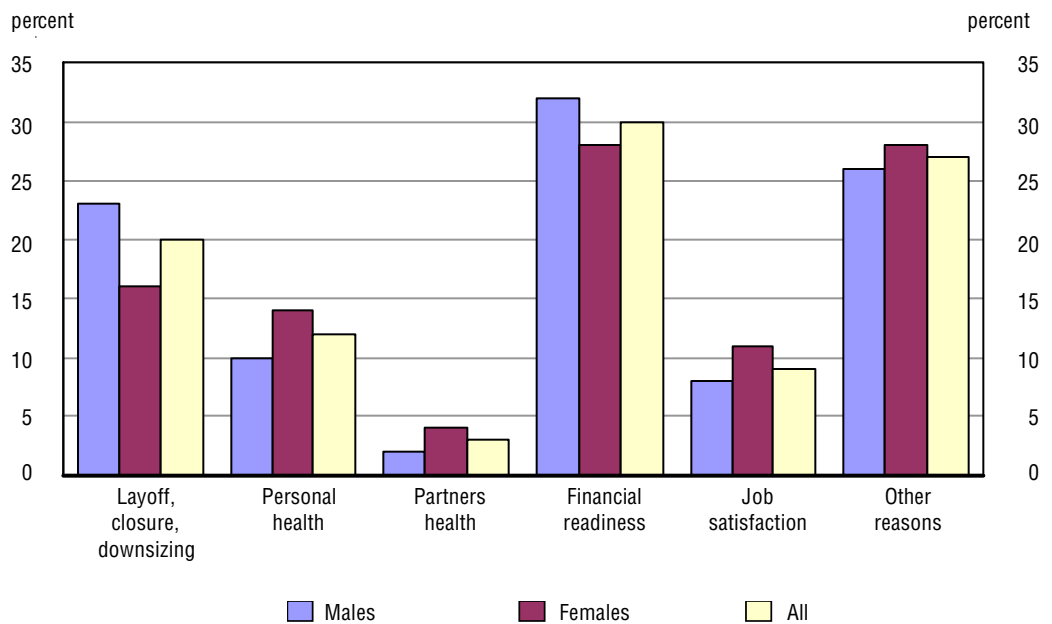
Chart 4.2
Percentage of employers offering flexible work arrangements and percent of older workers who would use them



Reasons for retirement

The SOW provides a direct measure related to the reasons for retirement. This resulted in a list of key imperatives affecting retirement. The question was only asked of respondents who had previously retired or were presently retired (roughly 16% of the SOW sample) and included a catch all “Other – specify” for the diverse reasons that could not be coded to a major category. As a “mark all that applies” type question, a respondent was allowed more than one answer. For this reason, if more than one reason was mentioned, a second question was asked that probed which of those mentioned was the most important reason in their decision to retire. If only one answer was provided, it was assumed to be the most important.

Chart 4.3
Most important reason for first retirement - retired or previously retired older workers



As illustrated above in Chart 4.3, of those who were currently or had previously retired, financial readiness was the single most important reason for retirement. It is particularly evident when one digs into the second most popular category, the “other reasons”, that, for many, some form of readiness is central to the decision to retire. In this category are found a host of reasons, the major constituents are provided in Table 4.1. It is important to note that this was an open-ended question and only the five reasons presented in Chart 4.3 were provided for on-site coding by the interviewer. If the interviewer could not decisively place the respondents answer into one of these categories, they entered them as “Other” and wrote in the verbatim response. Some of these (24) were subsequently recoded into the existing five, but others (449 responses) required post-collection coding. The major categories for this coding are presented below, while none of the categories support independent analysis (which is why they remain agglomerated in the “Other” category), it is interesting to note the split between what one might term voluntary reasons for retirement, such as “Pension maxed out / Required

years attained, Offered severance package, Fed up / Wanted change, Able to sell, Spend more time with family, Pursue other hobbies, Wish / Desire” and involuntary ones such as “Mandatory retirement, Job too tiring / stressful, Discrimination / Pressure to retire, Conflict with boss / co-workers, Organizational changes, Health of parents, Spouse’s wish or Market slowdown”. Albeit unweighted, the split is almost 70 to 30 in favour of a “voluntary” exit.

Table 4.1
Unweighted distribution of other / specify responses – most important reason for first retirement

	number	percent
Mandatory retirement	29	6
Pension max out / required years attained	67	15
Offered severance, package, buy out, incentive	38	8
Job too tiring / stressful / physically demanding	31	7
Fed up / wanted change	6	1
Discrimination / pressure to retire	4	1
Conflict with boss / co-worker	7	2
Organization changes / job eliminated / end of contract	22	5
Was able to sell / transfer business	11	2
Spend more time with family	25	6
Health, disability of parent or other family member	17	4
Spouse’s influence / wish	13	3
Pursue other hobbies	15	3
Start own business	5	1
Wish / desire to stop (voluntary)	99	22
Career change / other job offer	12	3
Market slow down	10	2
Varia	38	8
Total	449	100

Returning to Chart 4.3, most of the remaining reasons for retirement do not allow the same latitude in interpretations. Plant closure, layoffs and downsizing, particularly for an older worker unable or unwilling to relocate and start at the bottom with a new firm in their “career” job, such an event could rationally lead to an earlier retirement than anticipated, but it cannot be said to be voluntary. Likewise, personal health or the health of one’s partner is an event outside of individual control that may indeed force an otherwise distant decision. The final reason, “Lack of job satisfaction”, is perhaps the most ambivalent, it may be a bitter-sweet voluntary retirement than can either be entirely avoided or at the least delayed by some timely employer interventions.

It is important to reiterate that, as with all information in this report, the distribution of “reasons for retirement” are only representative of older workers, thus, these are people aged 50 to 75 **who had worked in the previous two years** and it excludes a large portion of retirees in this age cohort who have been retired for more than 2 years and who likely have a different profile of reasons.

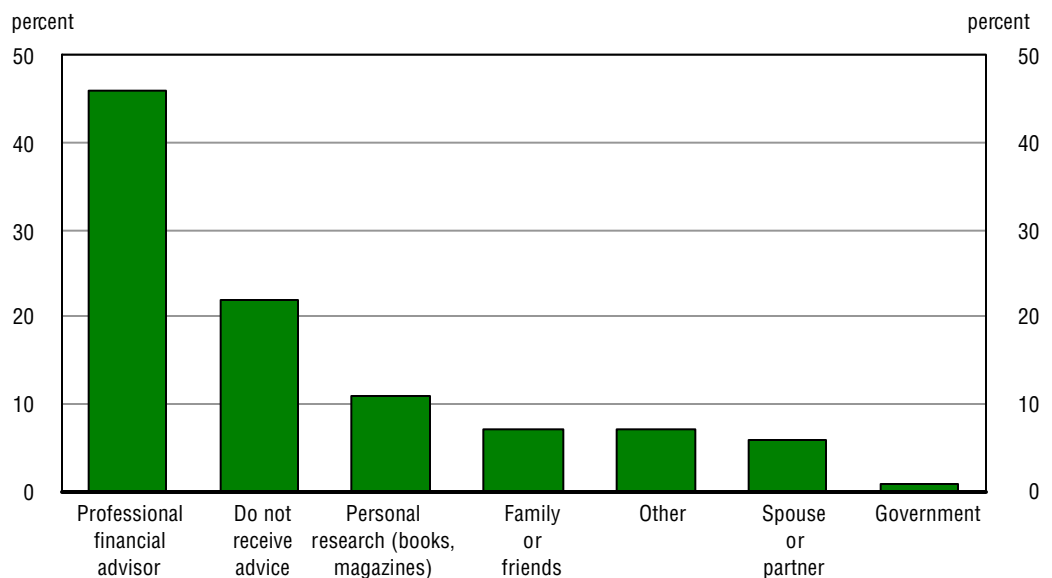
Chapter 5: Retirement income

The decision to retire from one’s job is usually influenced by an amalgam of considerations and is a major lifecycle event. While typically there is a series of interactions that come together to influence the retirement decision it is evident from the earlier discussion that financial considerations are pivotal to the decision-making process.²⁰ Accepting that financial considerations are a critical component of the retirement decision matrix this chapter examines the means by which workers approach financial planning in retirement, specifically where older workers seek financial advice, the various sources of income they believe will be available, and the principal source of income they intend to use or are using in retirement and for those who are not retired when they anticipate applying for retirement.

Sources of financial advice in preparation for retirement:

Financial preparations for retirement are essential if one is to approach the retirement phase of life with realistic expectations and maintain a reasonable standard of living during the retirement years. A key component for many older workers was to solicit financial advice in advance of retirement to help with the organization of retirement preparations. As can be seen in Chart 5.1 the largest proportion of older workers (46%), turned to a professional financial advisor when planning for retirement. There was a sharp decline in financial planning approaches following this observation with 22% of respondents not receiving any advice and 11% of respondents doing personal research through books, magazines and the internet.

Chart 5.1
Principle source of financial advice, Canada, 2008

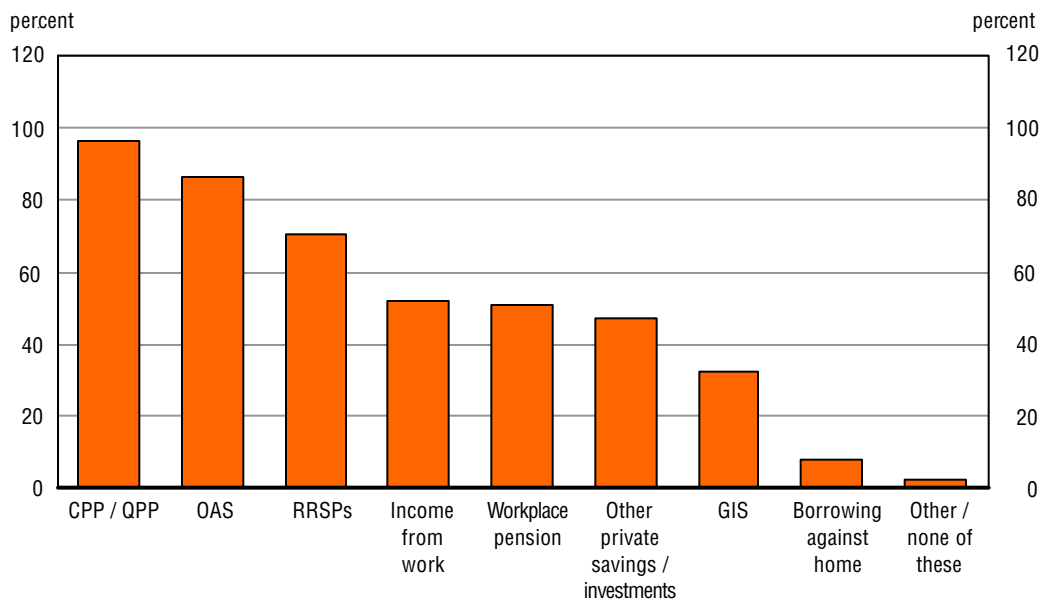


Examining the principle sources of financial advice by gender indicated a number of small differences. For instance females (48%) were more likely than males (44%) to obtain most of their financial advice from a professional advisor; while males (14%) were more likely to undertake personal research than females (8%). When it came to using your spouse / partner as a principle source of information females (9%) were more likely to follow this path than males (4%).

Income and sources of income in retirement:

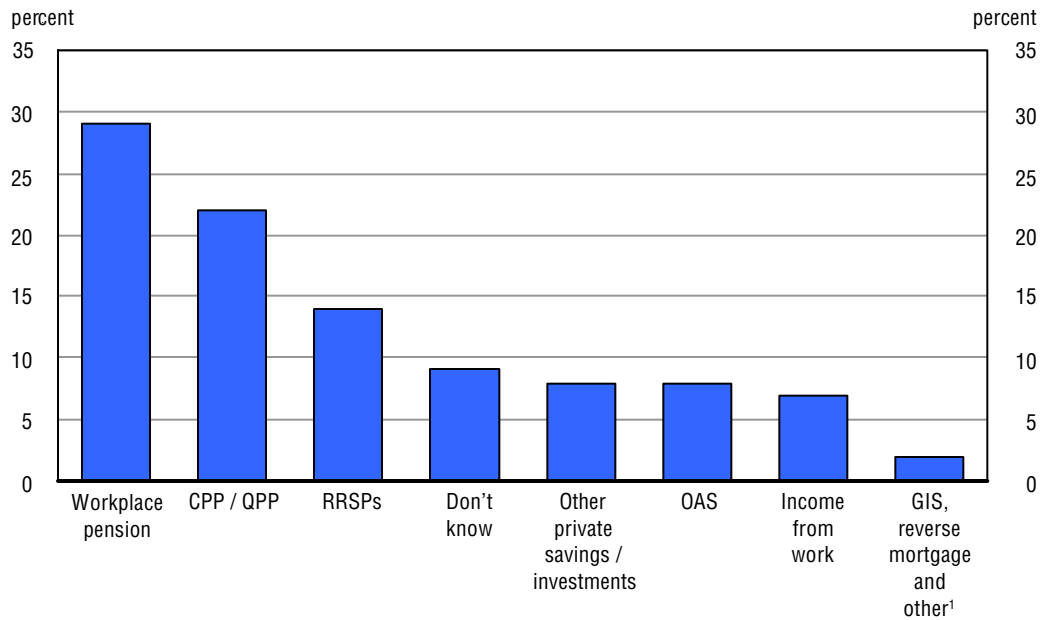
Respondents were asked to provide a best estimate of their yearly “personal” income that they believe they will receive in retirement resulting in 39% of respondents indicating they thought their annual retirement income would be less than \$25,000; while 41% thought it would be between \$25,000 and \$50,000; and 20% thought it would be greater than \$50,000. Survey respondents were also asked to identify from where they believed they would be receiving income in retirement. As indicated in Chart 5.2 older workers plan to collect retirement income from a variety of sources with the majority of older workers (96%) planning to collect CPP / QPP and 86% planning to collect OAS; while 70% were planning to use RRSPs. Workplace pensions were only considered a source of income by 51% of older workers.

Chart 5.2
Expected sources of income in retirement, Canada 2008



However, when asked what their primary source of income would be in retirement (Chart 5.3) the largest share of older workers (29%) indicated it would be their workplace pension; while 22% of older workers indicated that CPP / QPP would be their main source of income in retirement. Of particular interest are the 9% of older workers who do not know what their “principle” source of income will be in retirement.

Chart 5.3
Primary expected source of income in retirement, Canada, 2008



1. Due to small counts these 3 categories have been grouped together.

Examining variations in retirement income sources through partitioning by income groups provided an interesting method for examining differences across this important indicator.²¹ As can be seen in Table 5.1 there were some clear indications of differences in retirement income sources between those with lower and higher incomes. Clearly, older workers in the higher income groups were more likely to have RRSPs, other investments and access to a workplace pension. Alternately, a greater proportion of older workers in the lower income groups indicated that their retirement income would be coming from GIS / OAS and CPP / QPP in their retirement.

Table 5.1
Expected sources of income in retirement by current income groupings – household size greater than one, Canada, 2008

Source	Less than \$25,000	\$25,000 to \$49,999	\$50,000 to \$99,999	Greater than \$100,000
	percent			
CPP / QPP	25	24	21	20
OAS / GIS	36	31	26	22
Workplace pension	7	10	12	13
RRSPs	11	13	16	18
Income from work	12	12	11	12
Other	8	10	13	16
Total	100	100	100	100

Note: OAS and GIS have been grouped; other includes reverse mortgages, other private savings and investments, "other" and none of these.

Province:

The data showed some clear indications of regional variations (Table 5.2). In the Atlantic Provinces, older workers were far more likely to consider OAS / GIS in their retirement income planning and far less likely to consider CPP as part of their retirement income. It would appear that older workers in Ontario, Alberta and British Columbia were more likely to consider CPP as part of their retirement income and least likely to consider OAS / GIS in their retirement income stream. Workplace pensions were least prevalent in the Atlantic region while savings and investments were most prevalent in Alberta (13%) and British Columbia (12%). When it came to working in retirement as a source of income, older workers in Alberta (11%) were most likely to cite work as a possible income stream. The number of older workers who did not know where their income would come from in retirement; ranged from a low of 6% in British Columbia to a high of 15% in Prince Edward Island.

Table 5.2
Sources of income you plan to use (expected) in retirement by region, Canada, 2008

Region	CPP / QPP	OAS / GIS	RRSPs	Workplace pension	Savings and reverse mortgage	Income from work	Don't know
	percent						
Atlantic	17	23	30	10	5	5	10
Quebec	18	12	34	14	5	4	12
Ontario	25	5	28	14	10	7	9
Manitoba and Saskatchewan	20	9	34	13	8	8	8
Alberta	23	6	23	16	13	11	9
British Columbia	27	6	27	15	12	7	6

Note: OAS and GIS have been grouped; other includes reverse mortgages, other private savings and investments, "other" and none of these.

Occupation:

Another perspective towards examining income sources in retirement is to explore the differences that might exist across occupational groupings. As shown in Table 5.3, while some differences existed across occupational groups the general directions in terms of projected retirement income tend to trend in a similar fashion.

Table 5.3
Projected retirement income sources (expected) by occupational group

Income source	Management	Business financial / Administration	Health, Natural applied sciences	Social sciences Education / Government	Transport equipment	Sales and service	Unemployed
	percent						
CPP / QPP	21	21	20	20	23	22	24
OAS / GIS	24	26	24	22	29	30	29
Workplace pension	10	12	14	14
RRSPs	17	17	17	17	14	14	17
Income from work	12	12	12	13	12
Other	16	13	13	14	12
Total	100	100	100	100	100	100	100

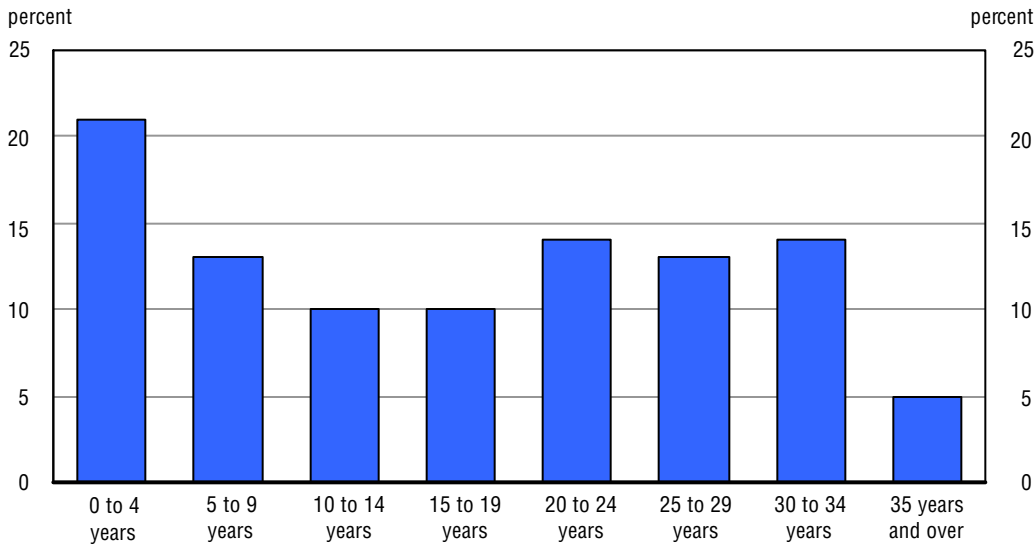
... not applicable

Note: OAS and GIS have been grouped; other includes reverse mortgages, other private savings and investments, “other” and none of these.

An issue of increasing concern and commentary has been the role of workplace pensions as a source of retirement income. In the Survey of Older Workers, 64% of older workers indicated the presence of a workplace pension. However, when examining the data from the perspective of “class of worker” there existed a large difference between the public sector and the private sector in this regard, with 92% of public sector workers indicating that they would be receiving a workplace pension in retirement dropping to just 55% for private sector workers. When viewed in terms of years of service with current employer 54% of respondents indicated less than 20 years of service while 21% have less than 5 years of service.

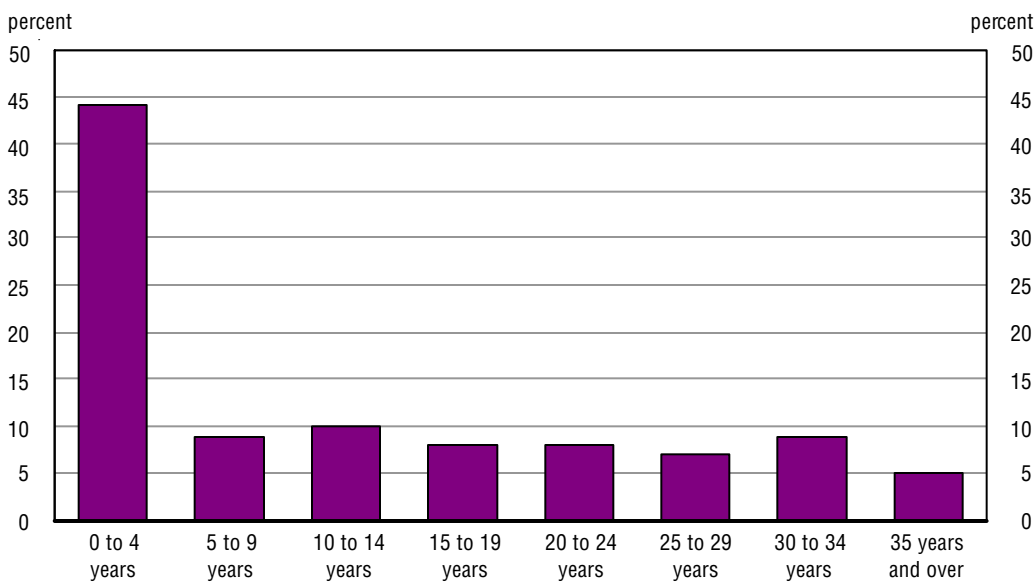
Reviewing years of pensionable service with current employer by gender, a greater proportion of men (24%) had less than 5 years service; while for women only 19% had less than 5 years service. Conversely, the proportion of men with long term employer association is greater with 38% of men having 25 or more years of pensionable service against 26% for women.

Chart 5.4
Years of pensionable service with current employer, Canada, 2008



Examining years of pensionable service (Chart 5.5) with past employers we observe that 71% of older workers had less than 20 years of service and 44% have less than 5 years of service. While the evolving pension plans of employers makes it difficult to analyze how the years of service with past employers might effect workers; it is conceivable that barring the ability to consolidate their pension plans workers may find they have a number of small retirement pensions.

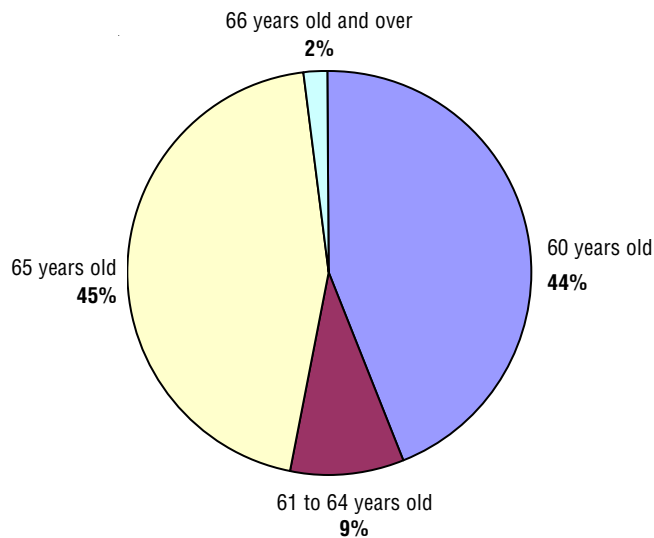
Chart 5.5
Years of pensionable service with past employer, Canada, 2008



CPP / QPP

As indicated in the earlier discussion, Canada / Quebec Pension Plans are an important financial component of almost all older workers' retirement plans. As the plans permit workers some flexibility in terms of age when they choose to start accessing the funds, it was insightful to obtain a sense of the age at which older workers were planning to access their entitlements under the plans. As can be seen in Chart 5.6 almost 90% of older workers will apply for their CPP / QPP at either age 60 or 65. Only 2% of older workers intend to wait until after age 65 to withdraw their CPP / QPP entitlements. Examining this finding by gender we noted that women (48%) were more likely than men (41%) to indicate their intention to apply for CPP / QPP at age 60; while at age 65 the ratios reverse with men (47%) and women (42%) indicating their intention to apply for CPP.

Chart 5.6
Age planning to apply for CPP / QPP



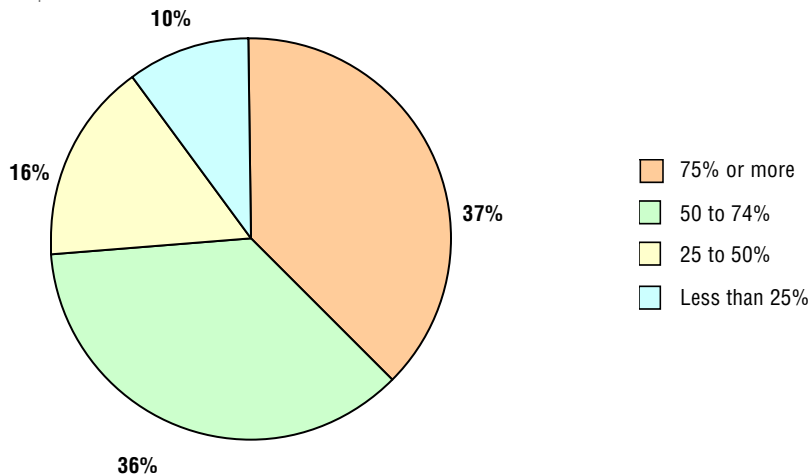
Note: Respondents age less than 60, or age greater than or equal to 60 not currently retired; or age greater than or equal to 60 currently retired but CPP not main source of retirement income or not collecting CPP.

A clear majority of older workers (69%) started collecting their CPP / QPP between the ages of 60 to 64; while 31% waited until age 65 or later. This finding suggests that while respondents not currently collecting CPP / QPP may plan to wait until 65 years of age or later to collect their benefits, many appear to change their mind once they reach age 60.

One area of confusion for respondents are the rules surrounding access of CPP / QPP benefits. When older workers were asked their understanding of the Canada Pension Plan rules,²² 23% answered incorrectly that they had to permanently retire from the workforce prior to receiving their benefits and 10% indicated they did not know the rules. In essence, one third of older workers are unclear as to the requirements surrounding the relationship between labour force status and access to their CPP / QPP.

Taking into account the various possible sources of retirement income, data from the Survey of Older Workers suggests that older workers are anticipating that less than 50% of their retirement income will come from public sources. As can be seen below in Chart 5.7, 26% of respondents anticipate 50% or more of their retirement income will come from public pension sources.

Chart 5.7
Average proportion of anticipated pension income from public pension sources



Examining the proportion of pension income from public pension sources when controlling for gender indicates that a greater proportion of men (40%) anticipate less than 25% of their pension income will come from public sources; while for women, the proportion is 34%. The difference between genders for those anticipating 25% to 49% of their pension incomes coming from public sources shows only a 1% difference. However, the gender differences for those who anticipated 50% or more of their pension income coming from public sources indicates that females (30%) are anticipating a greater proportion of their pension income from public sources than males (24%).

Conclusion

The data collected for the Canadian Survey of Older Workers paints a picture of the directions that older workers in Canada wish to pursue in terms of future work and retirement plans. The survey also provided some context of how recent retirees have approached retirement and examined the factors that influence the decision-making process involved in choosing between work and retirement or some middle-ground.

With ongoing uncertainty clouding the economic environment and the long awaited retirement of older Canadians from the labour force moving into high speed, it is difficult to gauge how forthcoming labour market adjustments and possible changes to pension programs will influence the decisions of older Canadian workers with regard to the work-retirement balance.

This report has provided a first look at the data collected by the Survey of Older Workers providing some insight into how older workers in Canada (50 to 75) are thinking about work and retirement. In the context of this monograph we have examined labour force attachment and found that 90% of workers were satisfied or very satisfied with their current position and that workers' in Atlantic Canada indicated being less stressed. It was also observed that self-employment was higher for older male workers than other groups. A second area of investigation encompassed the displacement and unemployment of older workers and the concerns this raised for older workers. Based on the survey data it was found that 73% of those aged 50 and over who had experienced a displacement were working at the time of the survey either in a new job or at their old job.

A key backdrop to labour market and pension policy discussions surrounds the topic of retirement expectations. The survey data clearly indicated a bi-modal distribution when it came to retiring from a current job, with the clear majority of older workers planning to retire at the age of 65 from both their job and the labour force. Not surprisingly the most important reason for "first retirement" was financial readiness (30%). Looking at the sources of retirement income the "primary" planned source would be workplace pensions, though the majority of older workers clearly indicated that CPP / QPP (96%) would be a part of their income stream in retirement. It was also determined in the survey that only 44% of respondents currently working plan to draw their CPP / QPP at age 60, though of those who were currently retired 69% were drawing their CPP / QPP.

Appendix A: Supplementary tables

Table A.2.1
Labour force attachment, 2008 Survey of Older Workers

Question and response categories	Older workers	
	number	percent
Which of the following best describes your current situation?		
Total	5,252,779	100
Working and never retired	4,089,371	78
Working and previously retired	395,252	8
Not working and not looking for work	454,266	9
Not working but looking for work	222,964	4
Not working, unable to work	90,926	2
Are you currently a paid employee or self-employed?		
Total	4,486,472	100
Paid employee	3,472,415	77
Self-employed	1,014,056	23
Are you currently retired?		
Total	770,940	100
Yes	450,531	58
No	320,408	42
Thinking about your current job, would you say you are...?		
Total	4,449,791	100
Very satisfied	1,700,511	38
Satisfied	2,436,467	55
Dissatisfied	260,183	6
Very dissatisfied	52,631	1
In your current job, would you say that most days at work are...?		
Total	4,440,406	100
Not at all stressful	652,420	15
Not very stressful	1,882,683	42
Quite a bit stressful	1,605,121	36
Extremely stressful	300,182	7
Permanent or temporary job status.		
Total	3,505,391	100
Permanent	3,181,123	91
Not permanent – seasonal	84,047	2
Not permanent – temporary term or contract	136,498	4
Not permanent – casual or other	103,723	3

Table A.2.2
Current status of employment by sex, 2008 Survey of Older Workers

Employment status	Sex					
	Both sexes		Male		Female	
	number	percent	number	percent	number	percent
Total	5,252,779	100	2,748,071	52	2,504,708	48
Working and never retired	4,089,371	100	2,131,900	52	1,957,471	48
Working and previously retired	395,252	100	229,661	58	165,591	42
Not working and not looking for work	454,266	100	220,336	49	233,930	51
Not working but looking for work	222,964	100	116,764	52	106,200	48
Not working, unable to work	90,926	100	49,410	54	41,516	46

Table A.2.3
Labour force participation by age group, retirement status and sex, 2008 Survey of Older Workers

Labour force participation	Age group					
	Total		50 to 54 years old		55 to 59 years old	
	number	percent	number	percent	number	percent
Total	4,707,587	100	2,028,467	43	1,498,643	32
Working and never retired	4,089,371	100	1,907,061	47	1,334,921	33
Working and previously retired	395,252	100	31,285 ^E	8 ^E	96,356	24
Not working but looking for work	222,964	100	90,121	40	67,366	30

Labour force participation	Age group					
	60 to 64 years old		65 to 69 years old		70 years old and over	
	number	percent	number	percent	number	percent
Total	821,250	17	275,062	6	84,165	2
Working and never retired	634,006	16	169,992	4	43,391	1
Working and previously retired	141,027	36	89,533	23	37,051	9
Not working but looking for work	46,217	21	15,536 ^E	7 ^E	F	F

Labour force participation	Retirement status					
	Total		Retired		Not retired	
	number	percent	number	percent	number	percent
Total	765,346	100	447,904	59	317,442	41
Not working and not looking for work	452,319	100	384,071	85	68,247	15
Not working but looking for work	395,252	100	40,860	18	182,104	82
Not working, unable to work	222,964	100	22,972	26	67,090	74

Labour force participation	Sex					
	Both sexes		Male		Female	
	number	percent	number	percent	number	percent
Not working but looking for work	222,964	100	116,763	52	106,200	48

^E use with caution

F too unreliable to be published

Table A.2.4
Current status of employment by region, 2008 Survey of Older Workers

Region	Employment status											
	Total		Working and never retired		Working and previously retired		Not working and not looking for work		Not working but looking for work		Not working, unable to work	
	number	per-cent	number	per-cent	number	per-cent	number	per-cent	number	per-cent	number	per-cent
Canada	5,252,779	100	4,089,371	78	395,252	8	454,266	9	222,964	4	90,926	2
Atlantic	389,668	100	275,490	71	39,485	10	39,349	10	25,828	7	9,516 ^E	2 ^E
Quebec	1,212,979	100	955,217	79	54,636	5	122,951	10	62,195	5	17,980 ^E	1 ^E
Ontario	1,974,075	100	1,546,720	78	161,187	8	150,049	8	79,717	4	36,401	2
Prairies	361,735	100	289,298	80	30,899	9	30,034	8	5,260 ^E	1 ^E	6,244 ^E	2 ^E
Alberta	565,817	100	456,932	81	54,615	10	31,374	6	17,943 ^E	3 ^E	4,953 ^E	1 ^E
British Columbia	748,505	100	565,714	76	54,430	7	80,507	11	32,022	4	15,832 ^E	2 ^E

^E use with caution

Table A.2.5
Retirement status by region, labour force attachment, 2008 Survey of Older Workers

Region	Retirement status					
	Total		Retired		Not retired	
	number	percent	number	percent	number	percent
Canada	770,940	100	450,531	58	320,408	42
Atlantic	74,693	100	35,975	48	38,719	52
Quebec	202,984	100	120,105	59	82,879	41
Ontario	268,457	100	153,838	57	114,619	43
Prairies	41,361	100	29,532	71	11,829	29
Alberta	54,270	100	31,540	58	22,729 ^E	42
British Columbia	129,174	100	79,541	62	49,633	38

Labour force attachment	Retirement status					
	Total		Retired		Not retired	
	number	percent	number	percent	number	percent
Total	765,346	100	447,904	59	317,442	41
Not working and not looking for work	452,319	100	384,071	85	68,247	15
Not working but looking for work	222,964	100	40,860	18	182,104	82
Not working, unable to work	90,063	100	22,972 ^E	26	67,091	74

^E use with caution

Table A.2.6
Job satisfaction of older workers, 2008 Survey of Older Workers

	Job satisfaction									
	Total		Very satisfied		Satisfied		Dissatisfied		Very dissatisfied	
	number	per-cent	number	per-cent	number	per-cent	number	per-cent	number	per-cent
Older workers	4,449,791	100	1,700,511	38	2,436,467	55	260,183	6	52,631	1

Table A.2.7
Perceived stress by region, 2008 Survey of Older Workers

Region	Perceived level of stress									
	Total		Not stressed		Not very stressed		Quite stressed		Extremely stressed	
	number	per-cent	number	per-cent	number	per-cent	number	per-cent	number	per-cent
Canada	4,440,406	100	652,420	15	1,882,683	42	1,605,121	36	300,182	7
Atlantic	312,609	100	57,517	18	152,251	49	87,569	28	15,273	5
Quebec	1,003,046	100	161,113	16	365,903	36	408,723	41	67,307	7
Ontario	1,699,966	100	237,268	14	717,341	42	624,333	37	121,024	7
Prairies	315,650	100	44,406	14	146,568	46	106,524	34	18,152	6
Alberta	504,580	100	76,892	15	221,623	44	164,559	33	41,505 ^E	8 ^E
British Columbia	604,556	100	75,226	12	278,998	46	213,412	35	36,921 ^E	6 ^E

^E use with caution

Table A.2.8
Respondents with high stress in their current job by region, age, 2008 Survey of Older Workers

Region	Older workers	
	Reported high stress	
	number	percent
Canada	1,905,302	43
Atlantic	102,842	33
Quebec	476,030	47
Ontario	745,357	44
Prairies	124,676	39
Alberta	206,065	41
British Columbia	250,332	41
Age group		
Total	1,905,302	43
50 to 54 years old	908,310	47
55 to 59 years old	623,416	44
60 to 64 years old	273,643	36
65 to 69 years old	78,660	31
70 years and older	21,273 ^E	27 ^E

^E use with caution

Table A.2.9
Self-employment status by sex, education, 2008 Survey of Older Workers

Self-employment status	Sex					
	Both sexes		Male		Female	
	number	percent	number	percent	number	percent
Total	4,486,472	100	2,361,158	52	2,125,314	48
Paid employee	3,472,415	100	1,673,600	48	1,798,815	52
Self-employed	1,014,056	100	687,557	68	326,499	32

Self-employment status	Education level							
	Total		Less than high school		Some post-secondary education		Some university	
	number	percent	number	percent	number	percent	number	percent
Total	5,258,373	100	1,826,965	35	2,027,368	39	1,404,040	27
Paid employee	3,472,415	100	1,218,440	35	1,347,383	39	906,592	26
Self-employed	1,014,056	100	300,941	30	377,895	37	335,221	33

Table A.2.10
Sex, region by self employment status, 2008 Survey of Older Workers

Sex	Self-employment status					
	Total		Paid employee		Self-employed	
	number	percent	number	percent	number	percent
Both sexes	4,486,472	100	3,472,415	77	1,014,056	23
Male	2,361,158	100	1,673,600	71	687,557	29
Female	2,125,314	100	1,798,815	85	326,499	15

Region	Self-employment status					
	Total		Paid employee		Self-employed	
	number	percent	number	percent	number	percent
Canada	4,486,472	100	3,472,415	77	1,014,056	23
Atlantic	314,601	100	256,612	82	57,988	18
Quebec	1,009,853	100	819,611	81	190,242	19
Ontario	1,711,164	100	1,336,337	78	374,827	22
Prairies	319,808	100	242,447	76	77,362	24
Alberta	510,562	100	374,134	73	136,428	27
British Columbia	620,483	100	443,274	71	177,209	29

Table A.2.11
Personal income of older worker by employment type and sex, 2008 Survey of Older Workers

Sex	Personal income									
	Total		Less than \$25,000		\$25,000 to less than \$50,000		\$50,000 to \$75,000		More than \$75,000	
	number	percent	number	percent	number	percent	number	percent	number	percent
Both sexes	5,007,510	100	1,171,224	23	1,835,802	37	1,058,369	21	942,116	19
Males	2,626,564	100	414,512	16	879,050	34	629,729	24	703,272	27
Females	2,380,946	100	756,711	32	956,751	40	428,640	18	238,843	10
In the labour force	4,489,343	100	953,121	21	1,673,133	37	973,787	22	889,302	20
Males	2,372,132	100	334,252	14	794,114	34	578,095	24	665,671	28
Females	2,117,210	100	618,869	29	879,019	41	395,692	19	223,630	11
Out of labour force	512,574	100	215,136	42	162,669	32	84,011	16	50,758	10
Males	253,345	100	79,745	31	84,936	33	51,062	20	37,601	15
Females	259,229	100	135,391	52	77,732	30	32,948 ^E	13 ^E	13,157 ^E	5 ^E
Paid employee	3,326,530	100	597,144	18	1,299,473	39	785,964	24	643,949	19
Males	1,614,000	100	156,834	10	545,748	34	445,343	28	466,075	29
Females	1,712,530	100	440,310	26	753,725	44	340,621	20	177,874	10
Self-employed	951,568	100	248,299	26	303,401	32	165,636	17	234,232	25
Males	644,953	100	128,701	20	209,352	32	116,929	18	189,971	30
Females	306,615	100	119,598	39	94,049	31	48,707	16	44,261 ^E	14
Working full-time	3,592,226	100	547,948	15	1,354,035	38	866,782	24	823,462	23
Males	2,059,282	100	238,238	12	673,196	33	527,228	26	620,620	30
Females	1,532,944	100	309,710	20	680,839	45	339,554	22	202,841	13
Working part-time	738,941	100	322,869	44	258,766	35	93,942	13	63,365	9
Males	240,390	100	67,522	28	87,489	36	42,177	18	43,202	18
Females	498,552	100	255,347	51	171,276	35	51,765	10	20,163 ^E	4 ^E
Permanent job holders	3,050,646	100	507,975	17	1,187,450	39	746,466	24	608,755	20
Males	1,462,145	100	133,731	9	473,691	32	419,384	29	435,340	30
Females	1,588,500	100	374,244	24	713,759	45	327,082	21	173,415	11
Temporary job holders	313,251	100	115,417	37	113,756	36	48,932	17	35,146^E	11^E
Males	180,170	100	45,856	25	71,770	40	34,462 ^E	19	28,083 ^E	16 ^E
Females	133,081	100	69,562	52	41,986	32	14,471 ^E	11 ^E	F	5 ^E

^E use with caution

^F too unreliable to be published

Table A.2.12
Full-time, part-time status by sex, 2008 Survey of Older Workers

Sex	Full-time, part-time status					
	Total		Full-time employment		Part-time employment	
	number	percent	number	percent	number	percent
Both sexes	4,539,285	100	3,756,842	83	782,443	17
Male	2,400,732	100	2,145,328	89	255,403	11
Female	2,138,553	100	1,611,514	75	527,039	25

Table A.3.1
Univariate distributions of selected questions pertaining to the currently unemployed, 2008 Survey of Older Workers

Question and response categories	Currently unemployed	
	number	percent
Would you be willing to learn new skills to find employment?		
Total	218,985	100
Yes	161,998	74
No	56,987	26
Would you be willing to move in order to accept a job?		
Total	213,982	100
Yes	57,338	27
No	156,644	73
Why are you unable to relocate? Is it because of...?		
Note: Multiple answers are possible. Only 'Yes' responses are shown here.		
Community attachment or friends.	56,801	36
Family ties or obligations.	95,484	61
The costs associated with housing or moving.	51,913	33
Why are you no longer able to work? Is it because of...?		
Note: Multiple answers are possible. Only 'Yes' responses are shown here.		
Long term physical or mental disability.	68,306	75
Short term illness or injury	12,545	14 ^E
Can you think of anything that might entice you to return to the paid workforce? Such as...?		
Improved health	60,705	69
Nothing	18,990	22 ^E
Because of the time you were without work, do you think you will permanently leave the workforce...		
Total	263,545	100
Sooner than planned	70,607	27
Later than planned	66,040	25
As planned	126,898	48

^E use with caution

Table A.3.2
Univariate distributions of selected questions pertaining to those who have been displaced since the age of 50,
2008 Survey of Older Workers

Question and response categories	Displaced workers	
	number	percent
Total	5,254,072	100
Yes	656,511	12
No	4,597,561	88
You mentioned earlier that you had lost a job since the age of 50. Was that due to...?		
Total	655,693	100
A layoff	190,437	29
A plant or business closure	221,851	34
Downsizing	186,015	28
Other	57,390	9
Do you expect to be recalled?		
Yes, I expect to be recalled	19,720	46 ^E
No, unlikely or permanent	23,023	54 ^E
Thinking about your most recent job loss, how old were you when it happened?		
Total	632,294	100
50 to 54 years old	371,710	59
55 to 59 years old	180,497	29
60 to 64 years old	63,319	10
65 years old and over	16,768	3 ^E
Are you still without work?		
Total	617,123	100
Yes	159,256	26
No	457,867	74
How long were you without work following the job loss?		
Total	467,824	100
Less than 6 months	289,395	62
6 months to less than one year	86,536	18
1 year to less than two years	53,777	11
2 years and over	38,115	8
Was [your new job] a full time or part-time job?		
Total	271,402	100
Full-time	197,656	73
Part-time	73,747	27
Did you become self-employed?		
Total	205,843	100
Yes	58,843	29
No	147,000	71
Was it [your new job] with the same company?		
Total	270,265	100
Yes	25,159	9 ^E
No	245,105	91
[At your new job], were you doing the same type of work?		
Total	271,136	100
Yes	117,634	43
No	153,503	57

Table A.3.2 concluded
Univariate distributions of selected questions pertaining to those who have been displaced since the age of 50, 2008 Survey of Older Workers

Question and response categories	Displaced workers	
	number	percent
What obstacles did you face when trying to find a job?		
Note: Multiple answers are possible. Only 'Yes' responses are shown here.		
No work available	63,641	23
Wage offer too small, not worth it	58,303	21
Age	41,101	15
Nothing	84,774	31
Was the new job in the same community or did your family and you have to move to a new community?		
Total	268,292	100
Same community	249,614	93
Had to move	18,678	7 ^E
Was your new job for...?		
Total	269,182	100
Less pay – over 25% less	129,330	48
About the same pay – within 25% either way	105,066	39
More pay – over 25% more	34,786	13 ^E

^E use with caution

Table A.3.3
Displacement experience by sex, employment status, 2008 Survey of Older Workers

Displacement experience	Sex					
	Both sexes		Male		Female	
	number	percent	number	percent	number	percent
Total	5,258,373	100	2,749,157	52	2,509,216	48
Experienced displacement	656,511	100	374,206	57	282,305	43
Did not experience displacement	4,597,561	100	2,372,669	52	2,224,892	48
Employment status						
Displacement experience	Total		Currently working		Working, previously retired	
	number	percent	number	percent	number	percent
	Total	5,252,779	100	4,089,371	78	395,252
Experienced displacement	654,801	100	408,134	62	67,002	10
Did not experience displacement	4,593,678	100	3,679,125	80	328,250	7
Employment status						
Displacement experience	Not working and not looking for work		Not working and looking for work		Not working, unable to work	
	number	percent	number	percent	number	percent
	Total	454,266	9	222,964	4	90,926
Experienced displacement	55,919	9	109,937	17	13,808 ^E	2 ^E
Did not experience displacement	397,629	9	111,556	2	77,118	2

^E use with caution

Table A.4.1
Retirement expectations, 2008 Survey of Older Workers

Question and response categories	Older workers	
	number	percent
At what age do you plan to retire from your current job?		
Total	2,644,947	100
50 to 54 years old	41,799	2
55 to 59 years old	493,070	19
60 to 64 years old	907,955	34
65 to 69 years old	985,805	37
70 to 74 years old	115,814	4
75 to 79 years old	21,954	1 ^E
80 years old and over	15,942	1 ^E
Never	62,607	2
At that time [when you retire from your current job], do you plan to...?		
Total	2,393,039	100
Retire completely	1,030,563	43
Remain in the workforce full-time	78,005	3
Remain in the workforce part-time	1,284,471	54
At what age do you plan to completely leave the paid workforce?		
Total	1,191,904	100
50 to 59 years old	42,723	4
60 to 69 years old	829,628	70
70 to 79 years old	246,140	21
80 years old and over	17,000	1 ^E
Never	56,414	5
Does your employer offer the following arrangements?		
Note: Multiple answers are possible. Only 'Yes' responses are shown here.		
Part-time work	1,946,522	50
Working from home	485,503	12
Flexible work hours	1,714,968	44
The ability to collect your employer pension while working	662,808	20
Would the availability of the following arrangements lead you to work longer than you originally planned?		
Note: Multiple answers are possible. Only 'Yes' responses are shown here.		
Part-time work	1,743,532	47
Working from home	1,323,767	35
Flexible work hours	1,713,545	45
The ability to collect your employer pension while working	1,380,518	38
Did you ever retire and return to work?		
Total	383,759	100
Yes	67,094	17
No	316,665	83
Did you look for paid work at any time after your retirement?		
Total	316,665	100
Yes	14,038	4 ^E
No	302,627	96

Table A.4.1 concluded
Retirement expectations, 2008 Survey of Older Workers

Question and response categories	Older workers	
	number	percent
How old were you when you first retired?		
Total	773,566	100
Less than 50 years old	57,570	7
50 to 54 years old	111,772	14
55 to 59 years old	289,710	37
60 to 64 years old	196,432	25
65 years old and over	118,082	15
Would you say that your first retirement was voluntary, that is, you retired when you wanted to?		
Total	775,920	100
Yes	627,081	81
No	148,839	19
How long were you without work following the job loss?		
Total	501,556	100
Less than 6 months	289,395	58
6 months to less than 1 year	86,536	17
1 year to less than 2 years	53,777	11
2 years or more	38,115	8

^E use with caution

Table A.4.2
Most important reason for retirement by sex, 2008 Survey of Older Workers

Sex	Reason for retirement													
	Total		Layoff or plant closure		Personal health		Partner's health		Financially ready		Lack of job satisfaction		Other	
	number	per-cent	number	per-cent	number	per-cent	number	per-cent	number	per-cent	number	per-cent	number	per-cent
Both sexes	712,759	100	140,846	20	84,645	12	18,329 ^E	3 ^E	213,335	30	65,881	9	189,724	27
Male	381,819	100	88,469	23	39,571	10	6,824 ^E	2 ^E	121,674	32	28,439 ^E	7	96,843	25
Female	330,940	100	52,378	16	45,074	14	11,504 ^E	3 ^E	91,660	28	37,442 ^E	11 ^E	92,881	28

^E use with caution

Table A.5.1
Retirement income sources, 2008 Survey of Older Workers

Question and response categories	Older workers	
	number	percent
How old were you when you first retired?		
Total	773,567	100
Less than 50 years old	57,570	7
50 to 54 years old	111,772	14
55 to 59 years old	289,710	37
60 to 64 years old	196,432	25
65 years old and over	118,082	15
From the following list, which sources of income do you plan to receive or use in your retirement?		
Note: Multiple answers are possible. Only 'Yes' responses are shown here.		
CPP / QPP	4,999,013	96
OAS	4,495,207	86
GIS	1,665,532	32
Workplace pension	2,675,379	51
RRSPs	3,663,326	70
Other private savings or investments	2,448,878	47
Borrowing against the value of your home or reverse mortgage	440,299	8
Income from work	2,693,327	52
Other	79,672	2
None of these	17,634	0 ^E
Which of these income sources is your main source of retirement income?		
Total	5,178,020	100
CPP / QPP	1,163,820	22
OAS	425,645	8
GIS	16,195	0 ^E
Workplace pension	1,500,858	29
RRSPs	729,902	14
Other private savings and investments	431,433	8
Borrowing against the value of your home or reverse mortgage	23,545	1 ^E
Income from work	347,460	7
Other	52,299	1
Don't know	486,864	9
What is your best estimate of the total yearly personal income that you think you will receive in retirement from all sources, before taxes and deductions?		
Total	3,955,383	100
Less than \$15,000	467,175	12
\$15,000 to less than \$25,000	1,076,464	27
\$25,000 to less than \$50,000	1,627,738	41
More than \$50,000	784,006	20
At what age do you plan to apply for your CPP / QPP benefits?		
Total	3,408,725	100
60 years old	1,503,929	44
61 to 64 years old	295,434	9
65 years old	1,524,529	45
66 years old and over	84,833	2
Which of the two following statements best describes your understanding of the CPP / QPP rules?		
Total	3,950,239	100
I have to permanently retire from the workforce once I start receiving my CPP / QPP benefits.	1,020,728	26
I do not have to permanently retire from the workforce once I start receiving my CPP / QPP benefits.	2,929,511	74

Table A.5.1 concluded
Retirement income sources, 2008 Survey of Older Workers

Question and response categories	Older workers	
	number	percent
What proportion of your retirement income do you foresee coming from public pensions such as the CPP / QPP, Old Age Security and Guaranteed Income Supplement?		
Total	3,543,106	100
Less than 25%	1,321,172	37
25% to 49%	1,292,341	36
50% to 74%	564,210	16
75% or more	365,382	10
At what age did you start receiving these [CPP / QPP] benefits?		
Total	834,988	100
60 to 64 years old	574,876	69
65 years old and over	260,113	31
How many years of pensionable service do you have with your current employer?		
Total	2,208,535	100
0 to 4 years	473,924	21
5 to 9 years	294,033	13
10 to 14 years	229,459	10
15 to 19 years	209,939	10
20 to 24 years	302,128	14
25 to 29 years	285,165	13
30 to 34 years	308,086	14
35 years and over	105,800	5
How many years of pensionable service do you have with your past employers?		
Total	3,274,652	100
0 to 4 years	1,447,113	44
5 to 9 years	284,944	9
10 to 14 years	319,832	10
15 to 19 years	257,459	8
20 to 24 years	257,725	8
25 to 29 years	227,764	7
30 to 34 years	307,388	9
35 years and over	172,427	5
Where do you get most of your financial advice for retirement?		
Total	5,214,499	100
Spouse or partner	314,655	6
Family or friends	364,505	7
Personal research	562,574	11
Professional financial advisor	2,406,645	46
Government	46,014	1
Do not receive advice	1,136,200	22
Other	383,906	7

0 true zero or a value rounded to zero

^E use with caution

Table A.5.2
Source of advice by sex, 2008 Survey of Older Workers

Sex	Source of financial advice							
	Total		Spouse or partner		Family or friends		Personal research	
	number	percent	number	percent	number	percent	number	percent
Both sexes	5,214,499	100	314,655	6	364,505	7	562,574	11
Male	2,729,365	100	100,258	4	192,056	7	375,046	14
Female	2,485,133	100	214,398	9	172,449	7	187,528	8

Sex	Source of financial advice							
	Professional financial advisor		Government		Do not receive advice		Other	
	number	percent	number	percent	number	percent	number	percent
Both sexes	2,406,645	46	46,014	1	1,136,200	22	383,906	7
Male	1,203,444	44	28,073 ^E	1 ^E	626,497	23	203,993	7
Female	1,203,201	48	17,941 ^E	1 ^E	509,703	21	179,913	7

^E use with caution

Table A.5.3
Planned or actual sources of retirement income by household income, 2008 Survey of Older Workers

Household income	Sources of retirement income							
	CPP / QPP		OAS		GIS		Workplace pension	
	number	percent	number	percent	number	percent	number	percent
Total	4,999,013	96	4,495,207	86	1,665,532	32	2,675,379	51
Less than \$25,000	243,907	93	228,858	87	122,587	47	65,129	25
\$25,000 to less than \$50,000	815,544	96	744,041	88	333,034	39	335,178	40
\$50,000 to less than \$75,000	1,677,051	96	1,524,999	87	524,215	30	948,649	54
More than \$75,000	1,282,417	97	1,096,160	83	322,447	24	826,490	63
Occupation group								
Total	4,999,013	96	4,495,207	86	1,665,532	32	2,675,379	51
Management	544,907	97	475,144	84	156,908	28	261,270	46
Business, finance, administration	1,022,675	98	943,350	90	334,742	32	578,422	55
Health, natural applied science	540,401	96	472,937	84	158,180	28	359,532	64
Social science, education, government, religion, art, culture, recreation, sport	589,666	96	509,326	83	133,433	22	405,601	66
Trade, transport and equipment operators, primary processing, manufacturing, utilities	1,169,852	96	1,050,219	86	444,512	37	542,572	45
Sales and service	892,206	95	825,072	88	367,565	39	402,778	43
Not currently employed and not worked in last 12 months	239,306	92	219,158	84	70,193	27	125,202	48

Household income	Sources of retirement income							
	RRSP's		Income from work		Other private savings and investments		Borrowing against the value of your home or reverse mortgage	
	number	percent	number	percent	number	percent	number	percent
Total	3,663,326	70	2,693,327	52	2,448,878	47	440,299	8
Less than \$25,000	111,703	43	119,865	46	62,106	24	13,681 ^E	5 ^E
\$25,000 to less than \$50,000	444,569	52	421,327	50	274,695	32	66,186	8
\$50,000 to less than \$75,000	1,297,157	74	894,187	51	810,592	46	165,548	10
More than \$75,000	1,140,076	86	761,143	58	859,201	65	113,662	9
Occupation group								
Total	3,663,326	70	2,693,327	52	2,448,878	47	440,299	8
Management	453,761	81	322,200	57	347,916	62	68,872	12
Business, finance, administration	812,624	77	565,899	54	525,269	50	72,339	7
Health, natural applied science	448,998	80	313,653	56	288,197	51	44,862	8
Social science, education, government, religion, art, culture, recreation, sport	482,101	79	366,992	60	336,925	55	53,438	9
Trade, transport and equipment operators, primary processing, manufacturing, utilities	722,762	59	618,741	51	470,913	39	110,849	9
Sales and service	577,669	61	462,573	49	371,464	39	73,749	8
Not currently employed and not worked in last 12 months	165,411	64	43,269 ^E	17	108,195	42	16,189 ^E	6 ^E

^E use with caution

Table A.5.4
Main source of retirement income (planned or actual) by region, 2008 Survey of Older Workers

Region	Sources of retirement income							
	Total		CPP / QPP		OAS / GIS		RRSP's	
	number	percent	number	percent	number	percent	number	percent
Canada	5,178,020	100	1,163,820	22	441,840	9	729,902	14
Atlantic	384,514	100	64,470	17	86,835	23	36,813	10
Quebec	1,197,942	100	216,113	18	145,389	12	166,717	14
Ontario	1,953,143	100	495,429	25	105,057	5	280,708	14
Prairies	356,356	100	69,785	20	33,168	9	44,233	12
Alberta	554,270	100	124,189	22	30,966	6	89,729	16
British Columbia	731,795	100	193,834	26	40,425	6	111,702	15

Region	Sources of retirement income							
	Workplace pension		Income from work		Other		Don't know	
	number	percent	number	percent	number	percent	number	percent
Canada	1,500,858	29	347,460	7	507,276	10	486,864	9
Atlantic	114,709	30	18,880	5	24,360	6	38,446	10
Quebec	396,922	33	51,737	4	76,740	6	144,324	12
Ontario	553,367	28	142,944	7	193,553	10	182,085	9
Prairies	119,108	33	26,532	7	34,210	10	29,319	8
Alberta	123,209	22	59,168	11	79,738	14	47,271	9
British Columbia	193,543	26	48,199	7	98,675	13	45,417	6

Table A.5.5
Presence of workplace pension by sector of worker, 2008 Survey of Older Workers

Employment sector	Presence of pension plan					
	Total		Pension plan present		Pension plan not present	
	number	percent	number	percent	number	percent
Total	5,144,841	100	3,291,648	64	1,853,192	36
Public	1,216,850	100	1,124,113	92	92,737	8
Private	3,667,246	100	2,013,350	55	1,653,895	45

Table A.5.6
Years of pensionable service accumulated with current employer by sex, 2008 Survey of Older Workers

Sex	Years of pensionable service													
	Total		Less than 5		5 to 9		10 to 14		15 to 19		20 to 24		Over 25	
	number	per-cent	number	per-cent	number	per-cent	number	per-cent	number	per-cent	number	per-cent	number	per-cent
Both sexes	2,208,535	100	473,924	21	294,033	13	229,459	10	209,939	10	302,128	14	699,051	32
Male	1,093,014	100	262,830	24	123,447	11	85,945	8	82,327	8	125,617	11	412,847	38
Female	1,115,521	100	211,094	19	170,586	15	143,514	13	127,612	11	176,511	16	286,204	26

Table A.5.7
Planned age to apply for CPP / QPP by sex, 2008 Survey of Older Workers

Sex	Planned age to apply for CPP / QPP									
	Total		60 years old		61 to 64 years old		65 years old		66 years old or over	
	number	percent	number	percent	number	percent	number	percent	number	percent
Both sexes	3,408,725	100	1,503,929	44	295,434	9	1,524,529	45	84,833	2
Male	1,785,982	100	729,827	41	165,906	9	839,836	47	50,413	3
Female	1,622,743	100	774,102	48	129,528	8	684,693	42	34,420 ^E	2 ^E

^E use with caution

Table A.5.8
Proportion of pension income foreseen to come from public pension sources, 2008 Survey of Older Workers

Sex	Proportion of pension income from public sources									
	Total		Less than 25%		25% to 50%		50% to 75%		Over 75%	
	number	percent	number	percent	number	percent	number	percent	number	percent
Both sexes	3,543,106	100	1,321,173	37	1,292,341	36	564,210	16	365,382	10
Male	1,903,396	100	758,136	40	703,212	37	277,022	15	165,026	9
Female	1,639,709	100	563,037	34	589,129	36	287,188	18	200,356	12

Table A.5.9
Planned age of retirement from current career by respondents currently working

Respondents currently working	Planned age of retirement					
	Total		50 to 64 years old		65 years old and old	
	number	percent	number	percent	number	percent
Total	2,644,947	100	2,328,908	88	316,039	12
Working and never retired	2,461,692	100	2,204,738	90	256,955	10
Working and previously retired	183,254	100	124,170	68	59,084	32

Appendix B: Survey Methodology

1.0 Data Quality

The intention of the Survey of Older Workers was to augment information currently collected by the LFS as it pertained to older workers in Canada. As a live LFS supplement²³, the target population consisted of persons between the ages of 50 thru 75 who were currently in the labour force or who had performed paid labour in the previous 2 years. The SOW was designed to assess labour market intentions and transitions of older Canadians. The aim of the survey was to identify factors that influence one's decision to retire or remain working. In this context, pensions, general finances, the role of dependents, the nature of work, health considerations etc., were of primary concern in trying to understand workers intentions and motivations.

Collection was non-proxy and completed using Computer Assisted Telephone Interviews (CATI) only. One respondent was randomly selected per household. To ensure sufficient sample for the projected data needs the survey used 5 rotation groups of the LFS. The survey was conducted during the months of October and November 2008 following completion of the LFS²⁴. The survey was conducted across Canada in all ten provinces but excluded the northern Territories, people living on Native reserves or military installations and Canadians who were residents of institutions (penal, palliative or medical) during the period of collection. Collection activities for the 2008 Survey of Older Workers officially ended on December 1st, 2008. In all, we have calculated a national response rate of 79.5 percent.

The response rate is based on the total number of complete and partial responses divided by the total sample sent into the field, minus the out-of-scope sample (e.g. vacant or destroyed households or households that don't contain a respondent matching the sample or sub-sample criteria). In Canada, the total number of valid responses received was 10,034. The total size of the sample sent into the field was 12,629, of which only 11 have been considered out-of-scope. Thus, the response rate is $10,034 / (12,629 - 11) * 100$ or 79.5 percent.

Implications of using the LFS

As a supplement to the Labour Force Survey, the Survey of Older Workers was able to obtain the majority of demographic and labour force information directly from the LFS. The LFS also provided advantages in terms of reducing information items on the SOW and having eliminated the concept of a "cold call". While certain household information for the LFS might be collected using the "household reference person" the SOW itself was non-proxy.

1.1 Response Rates

Across Canada, the total number of respondents was 10,034 valid responses. The total size of the sample sent into the field was 12,629. Thus, the response rate is $10,034 / (12,629 - 11) * 100$ or 79.5 percent.

The following tables summarize the number of in-scope persons, number of respondents and resulting response rates to the Survey of Older Workers (SOW).

Table B.1
Provincial response rates

Province	In-scope sample	Response	Response rate
	number	number	percent
Newfoundland and Labrador	484	380	78.5
Prince Edward Island	347	274	79.0
Nova Scotia	707	562	79.5
New Brunswick	635	490	77.2
Quebec	2,263	1,827	80.7
Ontario	3,641	2,947	80.9
Manitoba	933	776	83.2
Saskatchewan	927	776	83.7
Alberta	1,192	915	76.8
British Columbia	1,489	1,087	73.0
Canada	12,618	10,034	79.5

Note: The SOW response rate is the number of SOW responding individuals as a percentage of the number of SOW selected in-scope individuals.

Response rates across the provinces were reasonably consistent. Saskatchewan achieved the highest response rate at 83.7 percent, while the lowest response rates were observed in British Columbia (73%). Residence in an urban or a rural part of Canada made minimal difference to the response rate of the survey. Respondents residing in urban areas obtained a 79.8 percent response rate while those located in rural communities responded at a rate of 78.9 percent.

The total sample was made up of 81% English speaking respondents, 18% French speaking respondents and 1% percent of the sample spoke another first language. While response rates did not vary much between English (80%) and French (82%) speaking respondents, only 15% of the sample who spoke a language other than French or English responded to the questionnaire.

Appendix C: Concepts and definitions

The concepts and definitions used in the Labour Force Survey (LFS) and the Survey of Older Workers are provided below:

Labour Force Survey Concepts and Definitions:

Labour Force Status:

Designates the status of the respondent vis-à-vis the labour market: a member of the non-institutional population 15 years of age and over is either employed, unemployed or not in the labour force.

Employment:

Employed persons are those who, during the reference week:

- a) did any work²⁵ at all at a job or business; or
- b) had a job but were not at work due to factors such as own illness or disability, personal or family responsibilities, vacation, labour dispute or other reasons (excluding persons on layoff, between casual jobs, and those with a job to start at a future date).

Unemployment:

Unemployed persons are those who, during the reference week:

- a) Were on temporary layoff during the reference week with the expectation of recall and were available for work; or
- b) Were without work, had actively looked for work in the past four weeks, and were available for work²⁶
- c) Had a new job to start within four weeks from the reference week, and were available for work.

Not in the Labour Force:

Persons not in the labour force are those who, during the reference week, were unwilling or unable to offer or supply labour services under conditions existing in their labour markets, that is, they were neither employed nor unemployed.

Industry and Occupation:

The Labour Force Survey provides information about the occupation and industry attachment of employed and unemployed persons, and of persons not in the labour force who have held a job in the past 12 months. Since 1997, these statistics have been based on the North American Industry Classification System (NAICS) and the Standard Occupational Classification (SOC-91). Prior to 1997, the 1980 Standard Industrial Classification and the 1980 Standard Occupational Classification were used.

Reference Week:

The entire calendar week (from Sunday to Saturday) is covered by the Labour Force Survey each month. It is usually the week containing the 15th day of the month. The interviews are conducted during the following week, called the Survey Week, and the labour force status determined is that of the reference week.

Full-time Employment:

Full-time employment consists of persons who usually work 30 hours or more per week at their main or only job.

Part-time Employment:

Part-time employment consists of persons who usually work less than 30 hours per week at their main or only job.

Survey of Older Workers Concepts and Definitions:

Account – A financial record of receipts and disbursements, income and expenditures, credit and debits.

Annuity – A financial management approach to providing regular payments from a principle (lump sum) while still accumulating interest on the principle.

Canada Pension Plan (CPP) and Quebec Pension Plan (QPP) – These plans are contributory earnings related social insurance programs that ensure a measure of income protection to contributors and their families against loss of income due to retirement, disability or death. The CPP operates in all provinces and territories except Quebec, where the similar QPP is in effect. The CPP can be collected as early as age 60.

Career Jobs – Jobs held for 8 years or longer on a full-time basis.

Class of Worker – Indicates whether a person is an *employee* (that is, working for a wage or salary, a commission, or payment in kind); *self-employed* on a farm, in a business, or in a professional practice (either incorporated or unincorporated, with or without paid help).

Full-time Worker – Are those workers who reported working 30 hours or more per week during most of the weeks that they were employed.

Household – Any person or group of persons living in a private dwelling. It may consist of one person living alone, or a group of people who are not related but share the same dwelling, or it may be a family.

Layoff – The act of suspending or dismissing a worker through no fault of the worker.

Occupational Pension Plan – A pension plan generated by a company, or organization for the benefit of its employee. In “contributory” plans both the employer and the employee contribute to a fund which grows free of tax during the saving period. In “non-contributory” plans, only the employer contributes.

Old Age Security (OAS) and Guaranteed Income Supplement (GIS) – The OAS is a taxable monthly payment to people age 65 and older based on years of residency in Canada. The GIS is a non-taxable benefit paid to lower-income OAS recipients. Both benefits are income tested and can be clawed back as income increases.

Older Worker – For the purposes of the Survey of Older Workers, an individual must be between 50 to 75 years of age and active in the labour market, or have been working in the previous 24 months.

Other Private Savings and Investments – Any savings (in an account or otherwise) or investments (e.g., stocks, bonds, and mutual funds) that a respondent has and will use as income.

Part-time Worker – Are workers who worked less than 30 hours per week. (In the case of people who had more than one job during the same week, the hours spent at all jobs were combined).

Registered Retirement Income Fund (RRIF) – A RRIF is for individuals, established at a financial institution, and registered under the Income Tax Act to provide a streamed income in retirement while still collecting interest on the principle. They typically function like an annuity. RRIFs are set up by directly transferring monies from Registered Retirement Savings Plans or lump sum payments from Registered Pension Plans. Amounts withdrawn from RRIFs are taxable. A minimum amount must be withdrawn each year, beginning in the year after the RRIF is established.

Registered Pension Plan (RPP) – A RPP is sponsored by an employer or union and is usually funded through both employee and employer contributions. RPPs must satisfy certain conditions and be registered for the purposes of the federal *Income Tax Act*. Contributions to RPPs are tax deductible, the investment income in them is deferred, and payments from them are taxable.

Registered Retirement Savings Plan (RRSP) – RRSPs provide retirement income based on previously accumulated contributions and interest accrued on those contributions. RRSPs are purchased either by the individual or spouse. Employment status is not a factor that is relevant for the purchase of RRSPs. Contributions to an RRSP are tax-deductible, and the investment income is tax-deferred. RRSPs can be cashed in at anytime and are taxed accordingly. You can make contributions up to and including your 71st year. You must convert an RRSP to a RRIF (registered retirement income fund) before the end of the year in which you become 71 years of age.

Retired – In the context of this survey, refers to a person who is aged 50 and older, has left their main job or employer, and receives 50% or more of his or her total income from retirement like sources. It is possible to retire and then return to the workforce in another capacity.

Reverse Mortgage – A reverse mortgage allows the homeowner to access equity in their home while still living in the home.

Superannuation – A pension or payment to a person retiring from full-time work on reaching the age of retirement. The term also refers to the accumulated contributions by employers and employees to a superannuation fund.

Veteran's Pension – The *Pension Act* provides pension awards to those suffering from disabilities related to military service, either during peace or war time. The pension award is based on the extent of the disability, as verified by a medical examination, and paid in accordance with set out in the Act.

When a disability pensioner dies, the spouse/common-law partner may receive, for a period of one year, the same pension amount being paid to the pensioner at the time of death. After the one year, a survivor will receive a survivor's pension. Surviving children may be eligible for orphan benefits following a pensioner's death. Surviving spouses/surviving common-law partners who remarry will continue to receive survivor benefits.

Workers Compensation – Workers Compensation programs protect employees from the financial hardships associated with work-related injuries and occupational diseases.

Workplace Pension – A pension plan generated by a company, or organization for the benefit of its employees. In 'contributory' plans both the employer and the employee contribute to a fund which grows free of tax during the savings period. In "non-contributory" plans only the employer contributes. While there are a variety of workplace pensions they are typically defined contribution or defined benefit.

Endnotes

1. Martel, Caron-Malenfant, Vezina, Bélanger, “Labour Force Projections for Canada, 2006-2031. In Canadian Economic Observer, Ottawa, June 2007, Statistics Canada, Cat.#11-010., pp3-6.
2. Ibid,
3. Patrick Kieren, Perspectives on Labour and Income (Online Edition), September 2001, vol2, no.9, 75-001-XIE
4. Kevin Milligan, Making it pay to work: Improving the Work Incentives in Canada’s Public Pension System, C.D. Howe Institute Commentary, no218, October, 2005, p.2
5. GRant Schellenberg and Yuri Ostrovsky, “The retirement plans and expectations of older workers”, Canadian Social Trends: 2007 General Social Survey Report, Statistics Canada, Catalogue no. 11-008, 2008, p.12
6. See, John P. Meyer, Thomas Becker and Christian Vandenberghe, “Employee Commitment and Motivation: A conceptual Analysis and Integrative Model”, in Journal of Applied Psychology, 2004, Vol89, No.6, pp. 991-1007.
7. Statistics Canada, Income in *Canada, 2003*. May 2005
8. Statistics Canada, “General Social Survey, Cycle 16, Aging and Social Support: Caring for an Aging Society 2002”, September, 2003.
9. National Advisory Council on Aging, Aging in Poverty in Canada : Seniors on the margins, Minister of Public Works and Government Services Canada, 2005, p.7-9 (LICO=Low Income Cut-Off measure).
10. Grant Schellenberg and Cynthia Silver “You can’t always get what you want: Retirement preferences and experiences” in Canadian Social Trends, (Winter, 2004), Statistics Canada, Catalogue No. 11-008.
11. Dorren Au, Thomas Crossley and Martin Schellhorn, “The effect of health changes and long-term health on the work activity of Older Canadians” (September 2004). IZA Discussion Paper No.1281
12. Unless otherwise stated all tables and figures in this document are based on data from the Survey of Older Workers.
13. This 59% is equivalent to 9% of Older Workers in the SOW. By contrast the Canadian Financial Capability Survey (CFCS, 2009), a survey representative of the general Canadian population 18 and older) found that nearly 40% of Canadians aged 50 to 75 consider themselves to be retired. While a portion of these avowed “retirees” may in fact still be working (the CFCS did not probe this concept), the differences underscore the fact that the SOW is not a general survey of older Canadians, but only of those who still hold some attachment to the labour market or, at least, held some attachment in the past 2 years.
14. While the correlation is significant, it is not particularly high. The Eta statistics, a measure of correlation (directionality) between nominal and interval variables was observed at .132 on the continuous age variable.
15. Indeed, the average percentage of employees versus self-employed for the age group 15 to 49 was 88% working for an employer and 12% self-employed (2009, Labour Force Survey)
16. The Labour Force Survey (January 2009) reported 90% of Canadians 15 years and older where employed in a permanent job.
17. Totals exceed 100% since respondents were allowed to choose more than one reason why they are unwilling to relocate.

18. Displacement is defined as a job loss due to layoff, plant/business closure or downsizing
19. The other peaks likewise rest on similar programs. For instance, 50-59: only eligible for some private pension benefits and CPP disability, 60-64: also eligible for partial CPP retirement benefits; 65-69: eligible for full CPP benefits, OAS and GIS; 70+ : eligible for all other benefits and mandatory RRIF conversion.
20. In a discussion of early retirement Turcotte and Schellenberg note “The decision to retire early may be influenced by many factors, but financial considerations are usually central.”
21. The population in Table 5.1 includes both retired individuals and those who are working but are planning to use the indicated source as an income stream in retirement. It should also be noted that this table includes only those households with more than 1 member.
22. Residents of Quebec were asked to provide information concerning the Quebec Pension Plan rules.
23. A “live” supplement refers to the methodology wherein when possible, the questions making up the Survey of Older Workers were asked immediately following the LFS interview.
24. In instances where the selected respondent was not available, a call-back was attempted during the week following the LFS.
25. Work includes any work for pay or profit, that is, paid work in the context of an employer-employee relationship, or self-employment. It also includes unpaid family work, which is defined as unpaid work contributing directly to the operation of a farm, business or professional practice owned and operated by a related member of the same household. Such activities may include keeping books, selling products, waiting on tables, and so on. Tasks such as housework or maintenance of the home are not considered unpaid family work.
26. Persons are regarded as available for work if they:
 - i) Reported that they could have worked in the reference week if a suitable job had been offered; or if the reason they could not take a job was of a temporary nature such as: because of own illness or disability, personal or family responsibilities, because they already have a job to start in the near future, or because of vacation (prior to 1997, those on vacation were not considered available).; or
 - ii) Were full-time students seeking part-time work who also met condition i) above. Full-time students currently attending school and looking for full-time work are not considered to be available for work during the reference week.

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