

Less than Half of Canadians Have a Will — And Many Don't Even Know Where to Start

Up to \$1 trillion could pass from baby boomers to younger Canadians over the next decade, but a lack of estate planning could complicate wealth transfers and create unnecessary family stress

TORONTO, May 17, 2023 — The vast majority of Canadians believe it's important to prepare a will or appoint a power of attorney to manage their affairs if they die or become incapacitated, but less than half of them have actually done so — and many don't even know where to start.

A new report by the National Institute on Ageing (NIA) in collaboration with RBC Royal Trust finds that only 48 per cent of Canadians have a will; that number drops to 34 per cent for those aged 35-54. About one-third of Canadians (35 per cent) have appointed a power of attorney (POA), including 28 per cent of those aged 35-54 and only 53 per cent of those aged 55 and older.

The report, titled [*Where There's a Will, There's a Way: Exploring Canadian Perspectives on Estate Planning*](#), looks at how well Canadians understand the importance of estate planning, whether they have taken steps to create an estate plan, and what's stopping them from doing so if they haven't already. It is based on a survey of 2,001 Canadians conducted by Ipsos in April 2022.

Estate planning can be an important way for adults of all ages to avoid unnecessary hardship and uncertainty in their later years. It allows individuals to outline their preferences for medical treatments and long-term care (LTC) services; establish how to cover the potential costs of care; and appoint powers of attorney to manage their financial affairs or make medical decisions if they are no longer able to.

“Estate planning can support Ageing in the *Right Place* by getting Canadians to consider potential LTC options and their associated costs, and ensuring that their preferences are respected in the future,” said Dr. Samir Sinha, Director of Health Policy Research for the NIA.

Estimates suggest that up to \$1 trillion could pass from baby boomers to younger generations in Canada over the next decade. Whether Canadians have established wills and estate plans will be central to the overall success of these wealth transfers, especially as family structures become increasingly diverse and complex. Unconventional family arrangements can complicate the distribution of assets following a death, particularly when a person dies without a will.

“It’s critical for Canadians to understand that it’s never too early to start thinking about estate planning — regardless of their age or perceived assets,” said Leanne Kaufman, President and CEO, RBC Royal Trust. “Starting those conversations early on with family and your advisor and getting your will and POAs in order are the best ways to provide peace of mind when it comes to estate planning; they are the cornerstones of any comprehensive financial plan.”

The survey identified several barriers that can stop Canadians from creating a will or appointing a power of attorney, many of which relate to financial literacy challenges:

- 42 per cent of Canadians say they do not have a good understanding of estate planning fundamentals
- 25 per cent of Canadians who don’t have a will, and 23 per cent of those who don’t have a POA, say it is because they don’t know where to start
- 43 per cent of Canadians aged 18–34 years without a will say it is because they are too young
- Significant portions of Canadians of all ages who don’t have a will or POA say it is because their finances aren’t complicated enough, or because they have no assets to leave behind

The report recommends initiatives to raise awareness about the benefits of estate planning for Canadians of all ages and income levels, as well as educational outreach and supports to help them through the process. In addition, emerging digital tools could make estate planning more accessible and facilitate the process for Canadians who have more straightforward estates. The survey showed that younger adults in particular, but also many middle-aged and older adults, are open to using at least some digital tools and services to help plan their estates. For instance, some of these services allow users to create their own estate planning documents by accessing wills and POA documents online.

The survey was conducted by Ipsos online with 2,001 Canadians aged 18 years and older, from April 22-25, 2022. The findings have a margin of error of $\pm 2.5\%$, 19 times out of 20.

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About The National Institute on Ageing

The [National Institute on Ageing](#) is a think tank at Toronto Metropolitan University (formerly Ryerson University) focused on the realities of Canada’s ageing population. Follow us on Twitter [@NIAgeing](#) and support our call for a National Seniors Strategy [@NSS Now](#).

About RBC Royal Trust

As part of [RBC Wealth Management Canada](#), [RBC Royal Trust](#) has a strong history and has been proudly serving clients in Canada since 1899. RBC Royal Trust provides

individuals, families and businesses with valuable estate, trust and incapacity services, tailored to their specific needs. Located across Canada, RBC Royal Trust professionals work with clients to address what's important to them and their family. For more information, please visit rbc.com/royaltrust.

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