

## 75% of Older Canadians Are Worried About Their Financial Security in the Wake of the COVID-19 Pandemic

### *The Majority Want to Age at Home and May Be Unable to Cover the Costs*

**TORONTO, October 18, 2021** — The COVID-19 pandemic has left most Canadians feeling concerned about the financial security and well-being of their families today and in the future. The level of worry is particularly acute for Canadians close to retiring or in early retirement.

A new report released by the National Institute on Ageing (NIA), called [\*Canadian Perspectives on the Financial Realities of Ageing in Place\*](#), shows that 75% of adults say the pandemic has made them more concerned about their family's financial security and well-being. For those nearing or in early retirement—aged 55-69—77% expressed worry about their financial health, as well as 79% of women. These findings come at a time when an increasing number of older Canadians say they intend to age at home for as long as possible. But, with a lack of adequate public funding for homecare, Canadians and governments will need to take active steps to close the gap between the desire to age at home and the finances required to do so.

Developed in collaboration with HomeEquity Bank, the report also reveals that nearly 80% of respondents, 55 years and older, say that their retirement income from sources including personal Registered Retirement Savings Plans (RRSPs), the Canada/Québec Pension Plan (CPP/QPP) and Old Age Security (OAS) will not be sufficient for a comfortable retirement. For example, an individual relying on the average CPP/QPP payment, plus OAS and Guaranteed Income Supplement (GIS), would receive around \$1,730 per month.

There are many costs and expenses associated with ageing at home, due to a lack of public funding, which Canadians often underestimate. Nearly half of survey respondents believe that in-home care for themselves or a loved one would cost less than \$1,100 a month. However, according to the Ontario Ministry of Health, for example, it costs around \$3,000 per month to provide homecare at a level comparable to long-term care.

“Determining where to live and receive care as we age has been an especially neglected part of retirement financial planning,” says Dr. Samir Sinha, NIA Director of Health Policy Research. “But these are vital considerations that can also be costly. With the vast majority of Canadians expressing their intention to age at home, within their communities, it is essential that we find both financial and health care solutions to make this option comfortable, safe and secure.”

The majority of Canadians also want to age in their homes, a desire that has significantly increased due to the devastating toll of COVID-19 in long-term care homes. Enabling older adults to age in place will require immediate action on the part of individual Canadians, including comprehensive financial planning for retirement. It will also require policy change to provide Canadians with a broad spectrum of retirement savings options.

“These figures serve to demonstrate the disconnect when it comes to retirement financial security,” says NIA Director of Financial Security Research, Dr. Bonnie-Jeanne MacDonald. “Canadians retiring today are likely going to face longer and more expensive retirements than

their parents – solving this disconnect will need better planning by people and innovation from industry and government.”

“Older Canadians want to maintain their current home in retirement, many envision it as part of their future,” says Yvonne Ziomecki, Executive Vice President, HomeEquity Bank. “Ensuring Canadians have access to a broad range of financial options, enabling them to choose to age at home, as opposed to in long-term care, should be a national priority.”

In the aftermath of the COVID-19 pandemic, ensuring the financial well-being of Canada’s ageing population is more important than ever. Older Canadians have clearly indicated they plan to do everything they can to age in their own homes, for as long as possible. To achieve the kind of retirement they want, older adults will need to undertake concerted financial planning efforts. In addition, Canadians need a range of options and solutions to secure sources of long-term retirement income to age in comfort and safety at home.

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### ***About The National Institute on Ageing***

*The National Institute on Ageing is a Ryerson University think tank focused on the realities of Canada’s ageing population. Follow us on Twitter [@RyersonNIA](https://twitter.com/RyersonNIA) and support our call for a National Seniors Strategy [@NSS Now](https://www.nssnow.ca).*

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