

**OAS/Pension Poll Report  
February 24, 2012**

**KEY FINDINGS**

**Members not only make it clear that raising the eligibility age for OAS will erode their long standing support for the government, they indicate through their voting preference that many have already abandoned the Conservative Party for the Liberals.**

**They agree both government and opposition MPs should vote their constituents' will on this issue or vote against the government. Many think full public hearings should be held before a majority government passes legislation it didn't run on in an election, and the vast majority agree this is important to them.**

**Members agree that complete overhaul of the pension system to reduce reliance on OAS is preferable raising the age of eligibility, but are less apt to agree OAS costs can be covered by health care savings alone.**

**While members do not agree that savings to health care are adequate to make up for any short term overruns in OAS payments, they do agree that a complete overhaul of the pension system is preferable to tinkering with OAS.**

**The majority of members say they would have invested in PRPPs had they been available at the appropriate time, but most agree doubling CPP contributions and benefits is preferable to PRPPs in solving pension problems.**

**Due entirely to the OAS issue, the Conservative party has been reduced from their two-to-one lead over the Liberals a month ago to the point where the parties are statistically tied now.**

## Electoral Impact Of Changing OAS

Four times as many members (60%) say changing OAS eligibility will make them vote against the government as say it will make them vote for the government (15%), for a net deficit of 45 points.

***Many people expect the government to announce they are raising the age of eligibility for Old Age Security, or OAS, from 65 to 67 as soon as the next budget. No opposition party supports this change. How would this affect your vote if the government announces this change?***

<b>More likely to vote for government</b>	15%
<b>Neither more nor less likely</b>	23%
<b>Less likely to vote for government</b>	60%
<b>MARGIN IN FAVOUR OF "MORE LIKELY"</b>	<b>-45</b>
<b>DON'T KNOW</b>	2%

Two thirds of members believe the OAS issue is the kind of electoral factor that can make Canadians question their most firmly held voting habits (62%).

***Do you believe the issue of raising the age of eligibility for OAS unilaterally is the kind of action that can make Canadian voters change long-established voting habits?***

<b>Yes</b>	62%
<b>No</b>	27%
<b>DON'T KNOW</b>	11%

In backing up the previous finding, two thirds say the policy will prevent them from voting for the government (64%), about half of them (30%) former partisans of the government. In that the Conservative party usually has about 55% preference in our polls, a loss of 30% would reduce their support to one quarter of members (25%), which is seen here.

***Is this issue enough to make you change your vote in the next election?***

<b>WILL NOT VOTE FOR GOVERNMENT</b>	<b>64%</b>
<b>No - never planned to vote for government</b>	34%
<b>Yes - will now not vote for government</b>	30%
<b>VOTE FOR GOVERNMENT</b>	<b>28%</b>
<b>No - will continue to vote for government</b>	25%
<b>Yes - will now vote for government</b>	3%
<b>DON'T KNOW</b>	8%

The electoral outcome of member concern is obvious - the Conservative party has been reduced from their considerable lead over the Liberals a month ago (54% to 26%) to the point where the parties are statistically tied now (38% to 36%).

***If a federal election were held tomorrow, which party's candidate would you support?***

	<b>Jan 14 2012</b>	<b>Jan 28 2012</b>	<b>Feb 10, 2012</b>
<b>Conservative</b>	54%	43%	38%
<b>Liberal</b>	26%	32%	36%
<b>NDP</b>	15%	21%	21%
<b>Green</b>	4%	3%	4%

### **Reactions To Changing OAS**

In the case of both government (44%) and opposition MPs (34%), most members think they should vote the issue according to the wishes of their constituents, or vote against the government (25% and 38%, respectively). Relatively few think either bench should vote with the government (18% and 13%, respectively).

***How do you think GOVERNMENT MPs should vote on this issue/How do you think OPPOSITION MPs should vote on this issue?***

	<b>Government</b>	<b>Opposition</b>
<b>Vote according to constituents' will</b>	44%	34%
<b>Vote against government</b>	25%	38%
<b>Vote for the government</b>	18%	13%
<b>Vote according to conscience</b>	11%	14%
<b>Abstain/miss vote</b>	2%	1%
<b>DON'T KNOW</b>	1%	1%

While the largest groups of members believe a majority government should hold hearings before passing important legislation they didn't campaign on (27%), there is a wide variety of opinion on the other options listed, including waiting until the next election (21%), inviting opposition amendments (19%) and submitting legislation to a referendum. The smallest group accept that a majority government can pass any legislation it wants to (14%).

***How do you think a majority government should proceed before passing important legislation they didn't campaign on?***

<b>Should hold hearings before passing legislation</b>	27%
<b>Should wait until next election</b>	21%
<b>Should invite opposition amendments before passage</b>	19%
<b>Should submit legislation to referendum</b>	17%
<b>Majority can pass anything they want to</b>	14%
<b>DON'T KNOW</b>	2%

The vast majority of members (87%) agree it is important that the government hold public hearings before changing OAS, and more than half use the strongest possible terms ("extremely important" - 57%).

***How important is it to you that the government holds a full public review of their plans for changing eligibility for OAS before passing legislation?***

<b>IMPORTANT</b>	<b>87%</b>
<b>Extremely important</b>	57%
<b>Very important</b>	16%
<b>Important</b>	14%
<b>NOT IMPORTANT</b>	<b>13%</b>
<b>Not very important</b>	9%
<b>Not at all important</b>	4%
<b>DON'T KNOW</b>	*

More than a quarter say any increase in OAS costs can be made up through closing underused government agencies (28%), followed by reversing corporate tax cuts (18%). Just one tenth opt for the suggested plan of raising the age for OAS (11%).

***The government says it is considering reforming OAS to contain the increasing cost due to the aging population. Which source of alternate savings do you think is the most appropriate to pay for the increased OAS costs in the future?***

<b>Savings from redundant, non-functioning agencies</b>	28%
<b>Savings from reversing corporate tax cuts</b>	18%
<b>Savings from shrinking planned prison building plan</b>	13%
<b>Savings from raising OAS to 67, as planned</b>	11%
<b>Savings from less expensive fighter jets</b>	9%
<b>Savings from end of Afghan mission</b>	6%
<b>Savings from national bulk prescription drug buys</b>	2%
<b>Savings from home-based health care services</b>	1%
<b>OTHER</b>	7%
<b>DON'T KNOW</b>	5%

Two thirds are aware that other benefits are triggered by eligibility for OAS (68%).

***Eligibility for OAS also triggers eligibility for GIS and various provincial and municipal benefits. Were you aware of this?***

<b>Yes</b>	68%
<b>No</b>	32%

One half say the best solution to the two year benefit gap is not to create it (51%), while about a third say the law coupling OAS with other benefits should be changed (31%).

***If the age for OAS were raised, some older Canadians who depend on GIS, provincial and municipal benefits might have to wait a further two years for them. If this happened, what would be the best solution to this problem?***

<b>Don't increase age for OAS</b>	51%
<b>Change law/decouple OAS from GIS/other benefits</b>	31%
<b>Rely on provinces/municipalities to pay</b>	1%
<b>OTHER</b>	3%
<b>NO SOLUTION NEEDED</b>	8%
<b>DON'T KNOW</b>	5%

Just one third of members agree with CARP's position that any short term increase in OAS payments can be made up in savings to health care (33%).

***CARP argues that any short term increase in the payouts of OAS to older Canadians caused by the aging of the baby boomer cohort can be covered through savings to health care. How much do you agree with this position?***

<b>AGREE</b>	<b>33%</b>
<b>Agree strongly</b>	10%
<b>Agree</b>	23%
<b>DISAGREE</b>	<b>48%</b>
<b>Disagree</b>	29%
<b>Disagree strongly</b>	18%
<b>DON'T KNOW</b>	20%

On the other hand, two thirds agree that a complete overhaul of the pension system is preferable to tinkering with OAS (68%).

***CARP argues that, rather than changing OAS, the government should undertake a complete overhaul of the pension system that will help Canadians save for their own retirement and reduce their need for OAS and GIS. How much do you agree with this position?***

<b>AGREE</b>	<b>68%</b>
<b>Agree strongly</b>	23%
<b>Agree</b>	45%
<b>DISAGREE</b>	<b>23%</b>
<b>Disagree</b>	17%
<b>Disagree strongly</b>	7%
<b>DON'T KNOW</b>	8%

Three quarters of members believe that if the government succeeds in raising the age for OAS, they will also do it for either CPP or GIS (72%), and the majority think both will be the case (59%).

***If the government succeeds in raising the eligibility age for OAS from 65 to 67, do you think they will do the same with CPP and GIS?***

<b>YES</b>	<b>72%</b>
Yes, will raise age limit for both	59%
Yes, will raise age limit for CPP	8%
Yes, will raise age limit for GIS	6%
<b>NO</b>	<b>13%</b>
<b>DON'T KNOW</b>	<b>15%</b>

### **Status Of Retirement**

The vast majority of our members are retired (84%), most not working (70%). One tenth work full time (10%).

***What is the status of your retirement?***

<b>RETIRED</b>	<b>84%</b>
Retired, not working	70%
Retired, working part time	14%
<b>NOT RETIRED</b>	<b>14%</b>
Not retired, working full time	10%
Not retired, working part time	4%
<b>OTHER</b>	<b>2%</b>

The largest single group of members are retired, with a pension, CPP and OAS (45%), followed by those with a pension and CPP, but no OAS (18%).

***What is the source of your retirement income?***

<b>RETIRED</b>	<b>76%</b>
<b>Pension, CPP, OAS</b>	45%
<b>Pension, CPP</b>	18%
<b>CPP, OAS</b>	9%
<b>CPP, OAS, GIS</b>	4%
<b>OAS, GIS</b>	*
<b>NOT RETIRED</b>	<b>14%</b>
<b>Pension, RRSPs</b>	7%
<b>RRSPs</b>	5%
<b>No pension, no RRSP</b>	2%
<b>OTHER</b>	10%

We have asked this question since we began polling regularly, and apart from a slight dip of confidence in late 2010, results have stayed stable across time. The largest single group of members (47% most recently) expect to have adequate, rather than comfortable retirements, while one quarter are or will be comfortable (28%). About one fifth will live day-to-day (19%), and about a tenth will not be comfortable (6%).

***How comfortable are you in retirement or how comfortable do you think you will be?***

	<b>Dec 2009</b>	<b>Apr 2010</b>	<b>Feb 2012</b>
<b>I live/will live comfortably</b>	30%	29%	28%
<b>I have/will have adequate means</b>	47%	44%	47%
<b>I live/will live day-to-day</b>	19%	19%	19%
<b>I am not/will not live comfortably</b>	4%	8%	6%



## PRPPs

Just more than half of members say they would have invested in PRPPs had they been available when they were doing their retirement planning (55%).

***The government will pass legislation creating Pooled Retirement Pension Plans, or PRPPs, which are privately administered voluntary retirement investment plans for those who don't have pensions. How likely would you have been to contribute to a PRPP if they were available when you were saving for retirement?***

<b>LIKELY</b>	<b>55%</b>
Very likely	27%
Somewhat likely	28%
<b>NOT LIKELY</b>	<b>33%</b>
Not very likely	18%
Not at all likely	17%
<b>DON'T KNOW</b>	<b>10%</b>

Members are relatively evenly split on whether doubling CPP is preferable (41%) or whether encouraging PRPP investment is (36%), although those who think CPP is a better idea (20%) outnumber those who think PRPPs are the better idea (13%).

***Many experts advocate for a doubling of CPP contributions and benefits as a solution allowing Canadians to save adequately for their retirements. Which would be a better solution, doubling CPP contributions and benefits or encouraging Canadians to invest in PRPPs?***

<b>DOUBLING CPP BETTER</b>	<b>41%</b>
Doubling CPP better idea	20%
Doubling CPP good idea	21%
Neither doubling CPP nor PRPPs good idea	9%
<b>PRPPs BETTER</b>	<b>36%</b>
PRPPs good idea	23%
PRPPs better idea	13%
<b>DON'T KNOW</b>	<b>15%</b>

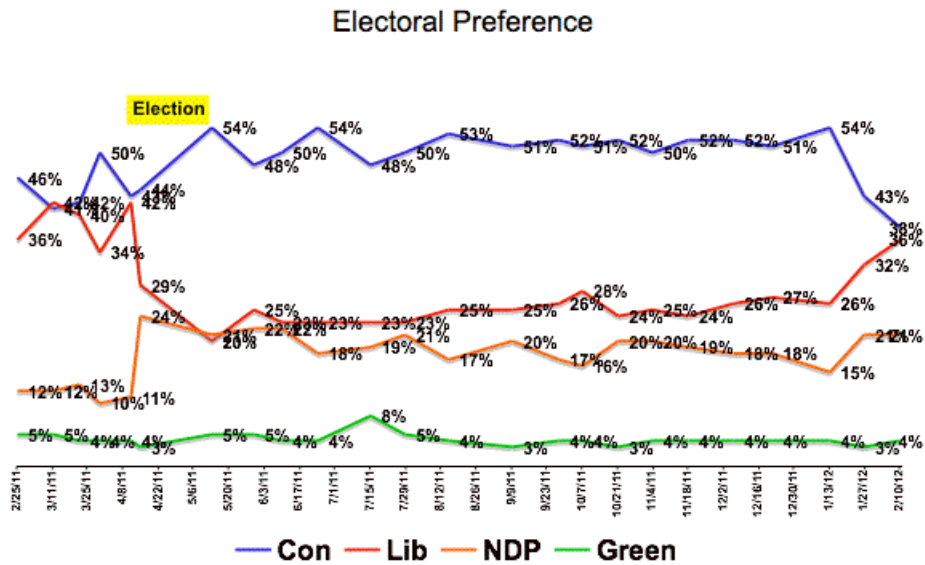
Members are more than twice as likely to agree the economic benefits of doubling CPP (27%) outweigh the potential obstacles caused by increased contributions (11%), for a net margin in favour of economic benefit of 16 points.

***Do the long term economic benefits of doubled CPP benefits for future retirees outweigh the increase in CPP contributions on employers and employees now?***

<b>Economic benefits outweigh increased contributions</b>	<b>27%</b>
<b>Neither outweighs the other</b>	<b>25%</b>
<b>Increased contributions outweigh economic benefits</b>	<b>11%</b>
<b>MARGIN IN FAVOUR OF "ECONOMIC BENEFITS"</b>	<b>+16</b>
<b>DON'T KNOW</b>	<b>38%</b>

## ELECTORAL PREFERENCE

The Conservative Party has lost 16 points in the past month (due entirely to the fracas over OAS) and is now tied with the resurgent Liberals (38% to 36%). While the NDP has seen some growth during this crisis (from 15% to 21%), they are still the third place party among CARP members.



***More than 4000 CARP Poll™ panel members responded to this poll between January 27 and 31. The margin of error for a sample this size is plus or minus 1.6%, 19 times out of 20. That is, if you asked all members of the CARP Poll™ panel the identical questions, their responses would be within 2%, either up or down, of the results shown here, 95% of the time***