

Do Canadians Know Their Retirement System?

RSI Index 2020

Summary

The level of general financial literacy among Canadians is fairly low – comparable to what is observed elsewhere. In the context of an aging population and of a changing retirement landscape, the RSI Index measures **the knowledge that Canadians have of their retirement income system.**

The 2020 edition of the *RSI Index* combines the responses of **3,006 Canadians aged 35 to 54 to 29 knowledge questions**, on general financial knowledge and on programs (4 topics). For the 2nd edition, **the overall index shows a slight increase at 38.2%**, still reflecting a limited knowledge of the system; more educated individuals improved their score. **The best-known topics are again RRSPs and the CPP/QPP**, which may be more present in the lives of the non retired. **The most difficult topics are the ill-known employer plans; and Old-Age Security programs**, on which 3/4 of respondents have a hard time providing more than 4 correct answers out of 8 questions. Limited knowledge of the system could be a disadvantage for many; and although the survey was fielded prior to the COVID-19 pandemic, its results raise **questions about the capacity of Canadians to take financial decisions with heavy consequences.** The 2020 *RSI Index* also reminds of **the importance of information** on the retirement system.