



IMPACT

**OMERS reflections
on a new report
by The National
Institute on Ageing**



“As record numbers of Canadians approach traditional retirement ages over the coming two decades, strategies and initiatives that improve their income adequacy, stability and security will be critical to enable them to look forward to living the rest of their lives with financial security,” said Dr. Samir Sinha, Director of Health Policy Research at the NIA and co-author of the report.

The impact of a secure and stable income in retirement on health

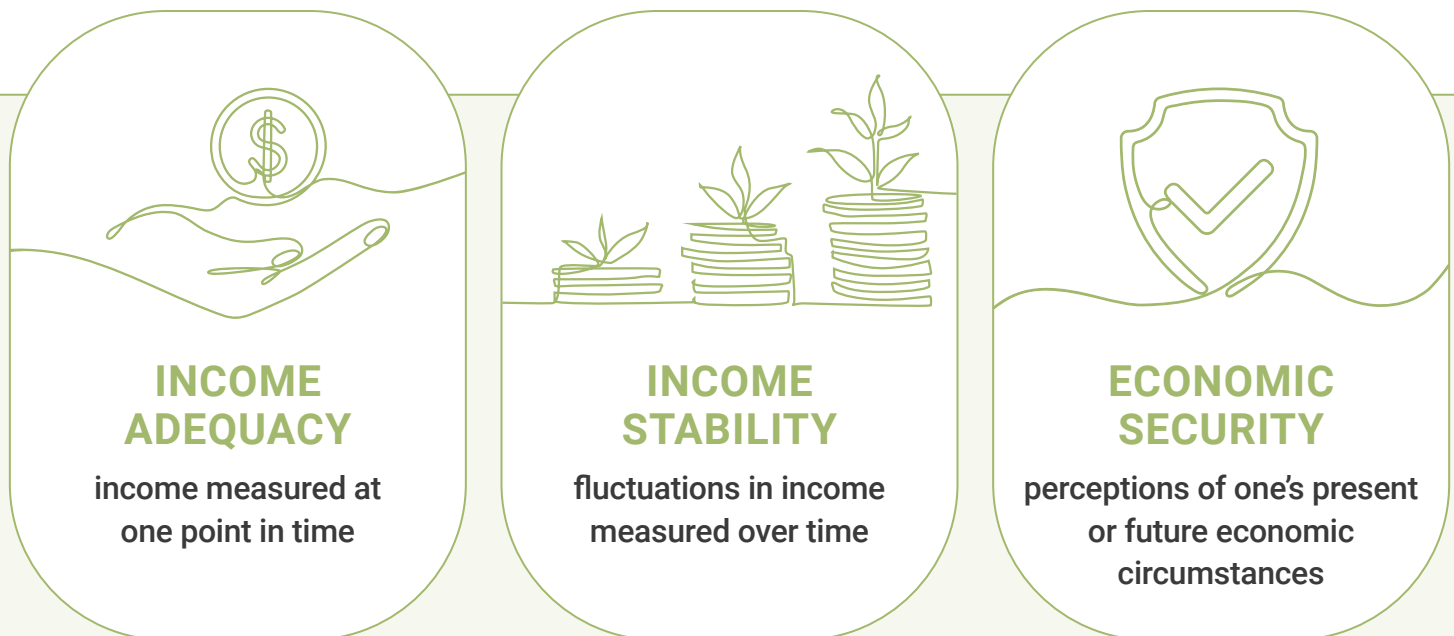
To better understand the relationship between having a secure and stable income in retirement and the health of Canadians, OMERS sponsored new research by the National Institute on Ageing (NIA), a think tank at Toronto Metropolitan University focused on the realities of Canada’s ageing population.

The report, *Healthy Outcomes: Understanding the Impact of Adequate, Stable and Secure Retirement Income on the Ability of Canadians to Age Well and in the Right Place*, reviewed the impact that financial security in retirement has on the health and well-being of Canadians and found that an adequate, stable and secure income in later life supports good health and well-being as well as ageing in the right place.

About the *Healthy Outcomes* report

The *Healthy Outcomes* report provides an in-depth examination of the relationship between available personal economic resources and the health and well-being of older adults and their ability to age in the right place. More specifically, it examines various mechanisms that describe the relationship between having an adequate, secure and stable income and physical and mental health.

The *Healthy Outcomes* report focuses on three broad areas of research:



The *Healthy Outcomes* report also shares new findings from the 2022 NIA Ageing in Canada Survey that further examine the relationships between perceived financial security and the health and well-being of older Canadians.

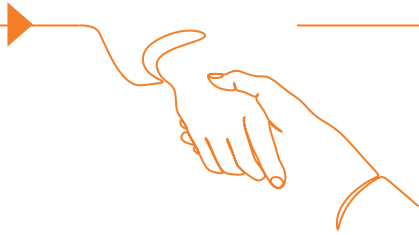
“As a defined benefit pension plan, we are proud to provide a meaningful source of retirement income to our members,” said Celine Chiovitti, Executive Vice President and Head of Pensions at OMERS. “It is important for Canadians to have access to a stable and secure source of income in their later years to support their health and well-being.”

OMERS reflections on the *Healthy Outcomes report*

There are numerous findings from the *Healthy Outcomes report* that resonated with OMERS, including the following:



Income adequacy has an impact on health



There is a relationship between eligibility for pension coverage and better health outcomes



Income plays a role in an individual's future reliance on public health care and long-term care



Income stability can reduce worry over current and future financial circumstances



For working age adults, income volatility can result in greater stress, which impacts health and well-being



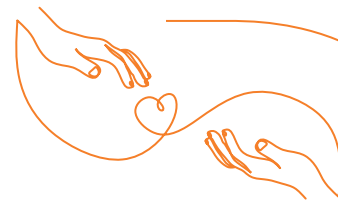
For older adults, sudden drops to their monthly or yearly income could be detrimental if income cannot cover the entire time spent in retirement or if emergencies require financial resources



Economic security and income stability play a role in reducing anxiety and stress



There is an important link between an individual's perception of their financial circumstances and health



Results from the 2022 NIA Ageing in Canada Survey highlight the link between perceived economic resources and health and well-being later in life

OMERS reflections on policy recommendations from the *Healthy Outcomes* report

Given the important impact of economic resources on health, the NIA developed six evidence-informed policy recommendations to enhance income adequacy, stability and security for Canadians as they age.

In particular, there are three recommendations that resonate with OMERS:



Enhance income stability and security by facilitating pension plans that provide post-retirement income security, while also introducing and supporting more decumulation offerings for registered savings across the financial sector.

OMERS believes there are a range of benefits linked to having a secure and stable income in retirement. For example, OMERS retired members reported a 20% higher feeling of financial security compared to those without a pension plan.

Improve access to workplace pension plan arrangements.

As one of Canada's largest defined benefit pension plans, OMERS is dedicated to providing retirement security to more than 560,000 public service and other employees in Ontario. Starting in 2023, it became easier for non-full-time employees, to join the OMERS Plan.

Promote improved financial literacy and planning.

*OMERS empowers its members with the tools to learn about their pension at every stage in their career and wherever they are in their pension journey. This includes content on OMERS.com, a retirement planner and a soon-to-be released podcast series, *The Pension Blueprint*.*

Social Value: meaningful benefits for individuals and communities

The *Healthy Outcomes report* follows research developed for OMERS by the Canadian Centre for Economic Analysis (CANCEA), an independent socio-economic research firm. This research examined the social value of having a secure and stable pension and found that OMERS generates additional value “beyond the cheque” with positive impacts for OMERS members, employers and the wider community.



Members:

Both active members and retirees reported higher life satisfaction with retired members attributing that increased satisfaction to increased financial security, lower stress and better health.



Communities:

OMERS members with retirement security play an increased role in their communities through volunteering and charitable giving, and by supporting local employment and businesses.



Employers:

Facilitating access to a secure and stable pension provides a stronger bond between employers and employer that, in turn, supports retention and productivity.

More information on the social value research is available on [omers.com](https://www.omers.com).

Conclusion

The findings from the *Healthy Outcomes report* and the prior social value research conducted for OMERS reinforce the importance of defined benefit pension plans as part of the pensions sector.

This research also speaks to the broader role pension plans can play for both pension recipients and Canadian communities to support ageing in the right place. Viewed from this perspective, it is time to have a broader discussion about the role of pensions as social infrastructure.

Opportunities for future research

The *Healthy Outcomes report* has provided OMERS with a better understanding of the relationship between having a secure and stable income in retirement and the health and well-being of Canadians.

The report also identified several opportunities for future research. For example, the NIA's in-depth review of the literature identified an absence of Canadian studies in certain areas, such as income stability and health among older Canadians, and the impact of economic insecurity on the health and well-being of older Canadians. Future research that examines differences in health outcomes by gender is also needed.

About OMERS

- More than 560,000 members
- Over 1,000 participating employers
- Engagement with more than 40 unions and associations
- Originates and manages a diversified portfolio of investments in public markets, private equity, infrastructure and real estate.

For more information about OMERS, please visit [omers.com](https://www.omers.com).



'About OMERS' figures are as at December 31, 2022.