



## Seniors Finances in York Region

### Seniors in York Region are generally wealthy

- York Region is set to experience tremendous growth in its seniors population.
- *A Profile of Baby Boomers and Seniors in York Region, January 2014* presented a broad profile of baby boomers and seniors in York Region as being generally wealthy.
  - » York Region seniors have, on average, higher net worth than others of the same age in Canada. This is especially true for the baby boomers.
  - » In 2014, the net worth of boomers in York Region was approximately \$790,000-\$890,000, compared to Canada where the net worth was about \$378,300-\$533,600 for the same age group. Similarly, the net worth of seniors in York Region was approximately \$550,000, compared to seniors in Canada who had an approximate net worth of \$460,700.
  - » Several factors contribute to this including higher-than-average income generally in York Region, as well as the tendency of older adults to continue working past 65 years of age.

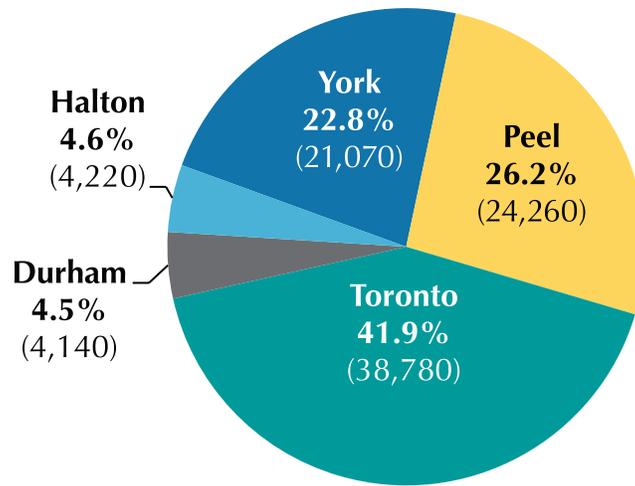
### There has been an increasing trend in the number of seniors receiving income from employment in York Region

- Based on 2013 tax filer data, 26.7% of seniors in York Region received income from employment, compared to 20.7% of seniors reporting income from employment in 2005. The proportion of seniors in York Region with employment income is comparable with Canada, Ontario and most GTA municipalities.
- King (33.8%), East Gwillimbury (32.5%) and Aurora (30.4%) had the highest proportion of seniors with income from employment in 2013. Vaughan and Markham had the lowest at 25.3% and 25.6%.

### A growing number of seniors in York Region are low income

- In 2013, 847,520 seniors aged 65+ lived in the GTA. Of these, 92,420 were living with low income.
- Among the 92,420 low income seniors living in the GTA in 2013, 21,070 (22.8%) lived in York Region.

**GRAPH 1: DISTRIBUTION OF LOW INCOME SENIORS IN THE GTA, 2013**



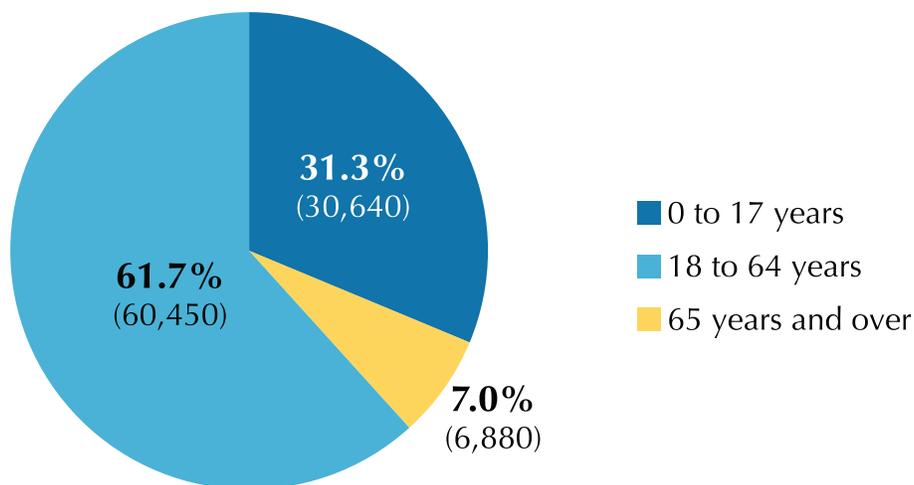
Source: Statistics Canada, Small Area and Administrative Data Division, 2000-2011 Annual Estimates for Census Families and Individuals 13C0016

## Seniors make up a small portion of York Region residents living with low income, but their share increased between 2000 and 2013

Note: the Low Income Measure–After Tax (LIM-AT) threshold for a single person is \$17,371, and for a couple is \$24,371.

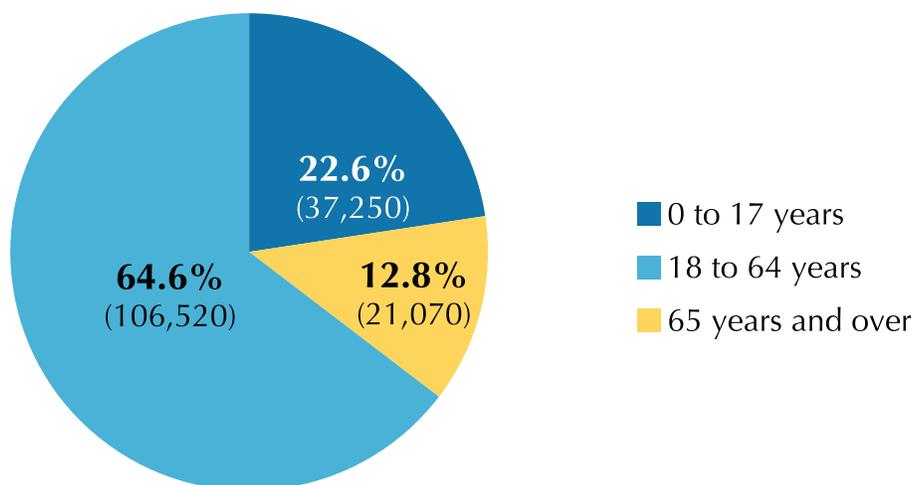
- The number of residents living with low income across all age groups in York Region increased from almost 98,000 in 2000 to almost 165,000 in 2013.
- The number of low income residents in York Region continues to grow faster than the overall population – 8.8% increase in low income residents since 2011, compared to a 3.5% increase for the overall population.
- In 2013, there were approximately 145,000 seniors aged 65+ in York Region. Of these about 21,000 were low-income, representing a low income rate of 14.6% for seniors. This is similar to the rate for children (15.1%) and working age adults (15%) in the Region.
- By comparison, the low income rate for seniors 65+ in 2013 was 6.4% for Canada and 6.5% for Ontario.

**GRAPH 2: LOW INCOME RESIDENTS IN YORK REGION BY AGE GROUP, 2000**



Source: Statistics Canada, Small Area and Administrative Data Division, 2000-2011 Annual Estimates for Census Families and Individuals 13C0016

**GRAPH 3: LOW INCOME RESIDENTS IN YORK REGION BY AGE GROUP, 2013**



Source: Statistics Canada, Small Area and Administrative Data Division, 2000-2011 Annual Estimates for Census Families and Individuals 13C0016

- While seniors make up a small portion of York Region residents living with low income, their share has increased from approximately 7% in 2000 to 12.8% in 2013. This reflects York Region's overall aging profile, and could also be the result of:
  - » Increased number of immigrant seniors with little income and not eligible for Old Age Security benefits;
  - » Decreasing coverage of private workplace pension plans; and,
  - » Reduced returns from savings and investments
- The percent of children living in low income families in York Region decreased from 31% in 2000 to 23% in 2013. The introduction of government Child Benefits is likely one of the factors contributing to some York Region families getting out of low income since 2000.

- The percent of York Region working age residents living with low income also increased, from 62% in 2000 to 66% in 2013.
- While low income across all three age groups grew in numbers between 2000 and 2013, the seniors age group grew faster than working age and children living with low income.
- The trend is similar in Ontario, with the proportion of seniors and working age living in low income increasing between 2000 and 2013.

### **Seniors living alone are at higher risk of living with low income because they only have one income to rely on and are less likely to have the support of an additional family member(s)**

- Seniors living alone are a vulnerable group in York Region. Of all low income seniors 65+ in York Region, 43% live alone.
- In 2013, the low income rate for seniors living alone in York Region was 24.2% (for a total of 9,000 residents). These residents included seniors living alone, as well as those single seniors living with someone else, whether related or unrelated to them. By comparison, the low income rate for seniors living in census families was 11.7% (for a total of 12,000 residents).

### **More than half of seniors in York Region did not report income from private pensions**

- In 2013, 47.8% of seniors in York Region reported income from private pension (workplace pension plans), which pay a guaranteed income upon retirement. This means that more than half (52.2% or 74,150 seniors in York Region) had to rely on income from Canada Pension Plan, RRSPs or personal savings.
- The proportion of seniors in York Region with income from private pensions is the lowest in the GTA and below provincial (61.8%) and national (59.5%) levels.
- Markham and Richmond Hill have the lowest proportion of seniors with income from private pensions, at 40.7% and 42.1% respectively. Aurora and East Gwillimbury have the highest proportion of seniors with private pensions, at 63% and 62.5%.

### **Many immigrant seniors arriving in York Region between 2010 and 2014 came from countries that do not have social security agreements with Canada, meaning they do not qualify for partial government pensions**

- All residents who reach the age of 65 and reside in Canada for at least 10 years may be eligible for the federally funded old age security program (OAS). Seniors receive the full amount if they have lived in Canada for 40 years, and may qualify for a partial pension if they have lived in Canada for at least 10 years.
- Seniors who have lived in Canada for less than 10 years may still qualify for OAS if their previous country of residence has an international social security agreement with Canada (e.g., if an immigrant senior lived and worked in the United States for four years, they will be able to receive a partial pension after living in Canada for six years).

- However, many immigrant seniors who arrived in York Region between 2010 and 2014 are from countries such as: China, Iran, Russia, Iraq and Pakistan, which do not have social security agreements with Canada. Therefore, 15,240 seniors in York Region (or 10.7%) did not receive OAS or GIS in 2013, compared to 4.9% in Ontario and 3.9% in Canada. Peel Region has a similar number of seniors not receiving OAS – 10.6% (16,120 seniors).

## Many seniors in York Region do not have enough income for a healthy diet

- Research has shown that poverty is the root cause of food insecurity.
- Each year York Region Public Health conducts the Nutritious Food Basket Survey. This survey measures the cost of basic healthy eating, based on Eating Well with Canada’s Food Guide and eating behaviours from the *Canadian Community Health Survey* results.

**TABLE 1: THE COST OF THE NUTRITIOUS FOOD BASKET IN YORK REGION (2015)**

	Per Week	Per Month
Single man 51-70 years old	\$63.64	\$275.56
Single man over 70 years old	\$63.05	\$273.01
Single woman 51-70 years old	\$48.74	\$211.04
Single woman over 70 years old	\$47.89	\$207.36
Couple, over 70 years old	\$101.70	\$440.36

Reference: [http://www.york.ca/wps/wcm/connect/yorkpublic/0c323f63-3371-4a14-bd6c-11214cbe8ae6/Nutritious\\_Food\\_Basket\\_Factsheet.pdf?MOD=AJPERES](http://www.york.ca/wps/wcm/connect/yorkpublic/0c323f63-3371-4a14-bd6c-11214cbe8ae6/Nutritious_Food_Basket_Factsheet.pdf?MOD=AJPERES)

- The health effects of not being able to afford a nutritious diet include:
  - » Having less milk, fruits and vegetables.
  - » Often not getting enough important nutrients.
  - » Finding it more difficult to manage chronic diseases such as heart disease, diabetes and high blood pressure.
  - » Being more likely to report having poor physical health, poor mental health, multiple health conditions, restricted activity and poor social support.
  - » Being less productive at work or less able to do well in school.

## Preliminary data indicates that the value of liquid assets increases as age increases in York Region

- Preliminary data indicates that York Region’s low income seniors (65+) are better off compared to low income residents in the 45-54 and 55-64 age categories when considering liquid assets.
  - » The value of liquid assets in those York Region households maintained by someone 65 years of age and older, with an income below \$40,000, is approximately \$166,152; compared to \$137,000 for seniors in this category in Ontario.
  - » The value of liquid assets is estimated at \$153,589 for York Region households with incomes below \$40,000, which are maintained by a person 55-64 years of age.

- » The value of liquid assets is estimated at \$87,009 for York Region households with incomes below \$40,000 and maintained by a person 45-54 years of age.

Note: According to most major banks, “liquid assets” are defined as holdings readily converted to cash, such as mutual funds, stocks, bonds, term deposits, GICs, as well as chequing and savings accounts (does not include real estate).

**TABLE 2: AVERAGE LIQUID ASSETS OF HOUSEHOLDS BY MAINTAINERS AGE AND HOUSEHOLD INCOME, YORK REGION, 2015**

Age of Household Maintainers	Household Income			
	\$0-\$39,999	\$40,000-\$79,999	\$80,000-\$124,999	\$150,000+
<b>Household Maintainers, 45-54 years</b>	\$87,009	\$119,055	\$160,746	\$808,657
<b>Household Maintainers, 55-64 years</b>	\$153,589	\$195,801	\$286,797	\$1,307,913
<b>Household Maintainers, 65 + years</b>	\$166,152	\$396,374	\$777,709	\$2,921,583

Source: Environics Analytics, Liquid Assets Database, 2015

## Canada does well compared to other G7 countries in providing an adequate standard of living for its seniors

According to the Organisation for Economic Co-operation and Development (OECD), Income Distribution and Poverty Database, data extracted on February 1, 2016:

- France, at 3.4%, has the lowest low income rate for seniors aged 66-77 among G7 countries, followed by Canada at 6.7%. Japan and the United States have the highest low income rate for seniors in this age group at 16.6% and 15.5%.
- Canada also ranked second on this indicator for seniors 75 years and older with a low income rate of 7.0%. France has the lowest low income rate for this age group at 5.5% and United States has the highest at 23.7%