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From: John Stapleton
To: Anti-poverty Watchers
Re: HOW TO TALK ABOUT LONGEVITY WITH RETIREES

When I talk with low-income retirees, one theme comes up over and over: People want certainty. They want to know how much money they'll have for the rest of their lives – not a guess, not a maybe – a number they can count on.

It's easy to understand why. For people who have lived through unpredictable jobs, changing benefits, or health scares, certainty is a kind of peace. It's the feeling of standing on solid ground after a lifetime of shifting floors.

But financial planning after 65 is unlike any other kind of planning: None of us know how long we'll live.

And even if we could find out, most of us would rather not know the date of departure from the planet. That makes this a problem with no perfect answer – and a perfect opportunity for bad advice.

Morgan Housel, who writes beautifully about the psychology of money, once said that people crave certainty far more than they crave accuracy. We would rather have a clear story that might be wrong than an uncertain story that might be right.

That's why so many retirees are drawn to people or products that promise clarity "Guaranteed income for life." "Never outlive your money." "Make 8 percent safely and sleep at night."

But as most of us discover too late, certainty in finance usually costs more than it's worth, and it often isn't certain at all, as the C.D. Howe Institute has discussed previously.

For low-income retirees – those living on OAS, GIS, CPP, or a small workplace pension – the stakes are even higher. There isn't much to lose, and what's left has to last. That makes the search for certainty both understandable and dangerous.

Every planner, economist, or policy analyst knows that retirement planning is really about probabilities.

You don't know when you'll die, but you can know the odds. You don't know how prices will rise, but you can model inflation. You don't know when you'll need care, but you can look at averages.

The challenge is that probabilities are abstract and don't feel like answers.

For someone who spent their working life with fixed hours and fixed pay, "probabilities" can feel like a fancy word for "you're on your own."

But probabilities are the honest way to think about longevity. They help us deal with what's real, not what's reassuring.

- You can't plan for the future, but you can plan for a range of futures.
- You can't predict the exact number. You can manage the risk of running short.
- You can't make uncertainty disappear. You can manage it with programs, family, or community supports that soften the risk.

The craving for certainty creates a market for snake oil. There's always someone ready to promise safe returns or guaranteed payouts – often dressed up in language that sounds official or philanthropic. They rely on the fact that many retirees find math and fine print intimidating.

They also know that the fear of "running out" is stronger than almost any other financial worry. They exploit not greed but anxiety – the very anxiety that low-income retirees have been taught by experience.

That's why public and non-profit advisors must do something much harder than selling certainty: They must teach comfort with probability.

When I work with front-line staff or volunteers, I tell them that the job isn't to give the "right" number, it's to help people build a range of reasonable expectations – and to make peace with them.

Here's how:

1. Start with the guaranteed income floor. Show what's absolutely dependable: OAS, GIS, CPP, maybe a small pension. That's your solid ground.
2. Add the probable, not the promised. Savings returns, part-time earnings, rent subsidies – these can help, but they move. Be honest about that movement.
3. Talk in decades, not years. Most people underestimate longevity. At age 65, average life expectancy might be 85, but half will live longer. Use "what if you live to 90?" as a conversation, not a prediction.
4. Explain trade-offs, not magic. If you want more certainty, you often accept less flexibility (for example, annuities). If you want more growth, you accept more ups and downs. There's no free lunch.
5. Frame probabilities as protection, not confusion. "We can't know everything, but we can plan for most things." That's not uncertainty; that's wisdom.

Understanding probabilities isn't just math – it's temperament. It's the ability to live with what can't be known, without losing confidence.

Low-income retirees have that skill in spades; they've managed uncertainty their whole lives. The trick is to name it, not fear it.

The truth is that none of us know our expiry date, and almost no one would want to. But we do know how to build systems that make not knowing survivable: Shared income supports, indexed benefits, fair rent rules, and policies that make people secure without selling them illusions.

Certainty feels good, but dignity, stability, and 'enough' – those last longer.

John Stapleton is principal at his consultancy: Open Policy.

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