



## Registered Pension Plans (RPP) and Other Types of Savings Plans – Coverage in Canada

### RPP By Number (2013)

The total number of active RPP members increased steadily from 5.6 million in 2003 to 6.2 million in 2013, an increase of 11% over the last 10 years.

### RPP By Contributory Status (2013)

The proportion of active RPP members participating in a contributory pension plan increased from 75% in 2003 to 85% in 2013.

### RPP By Sex (2013)

The 6.2 million active RPP members were evenly split between males and females in 2013. The proportion of female members increased from 47% in 2003 to 50% in 2013, while the proportion of male members decreased from 53% to 50% over the same period. Female members increased from 2.6 million to 3.1 million, while male members increased slightly from 3.0 million to 3.1 million over the last decade. Only 2.2 million active female members were covered twenty years ago (in 1993).

### RPP As a Percentage of Labour Force (2013)

The number of active RPP members as a percentage of the labour force decreased slightly from 33% in 2003 to 32% in 2013.

### RPP As a Percentage of Employees (2013)

The proportion of employees covered by a RPP declined from 39% in 2003 to 38% in 2013, a drop of one percentage point in the last 10 years. Although the number of active RPP members has increased in the last 10 years (5.6 million in 2003 to 6.2 million in 2013), the number of employees has grown at a faster pace, which explains the decline in the proportion of employees with a RPP.

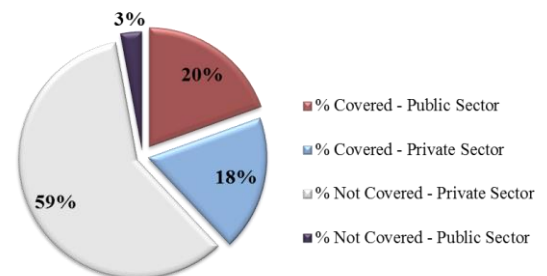
While the RPP coverage as a percentage of employees declined for men, from 39% in 2003 to 37% in 2013, the coverage for women stood at the level of about 39% over the same period. As a proportion of employees, the coverage for women has been higher than the coverage for men since 2004.

### RPP By Sector of Activity (2013)

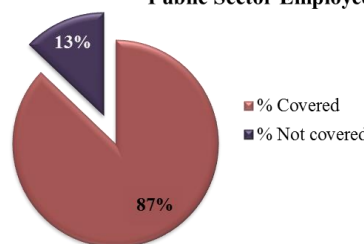
The RPP coverage in the public sector increased from 86% in 2003 to 87% in 2013, while the number of active RPP members in the public sector increased from 2.6 million to 3.2 million.

The RPP coverage in the private sector decreased from 27% in 2003 to 24% in 2013, while the number of active RPP members in the private sector remained constant at around 3.0 million.

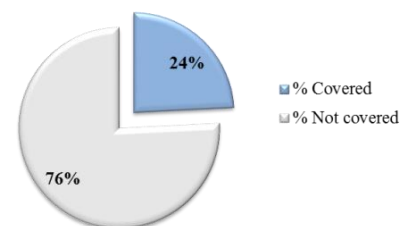
Distribution of Employees in 2013 - By Sector and RPP Coverage



RPP Coverage - Public Sector Employees



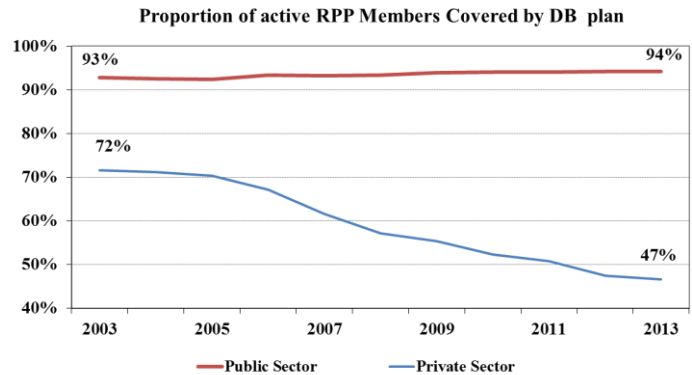
RPP Coverage - Private Sector Employees



### RPP By Type of Plan – Defined Benefit Plan, Defined Contribution Plan and Other Plans (2013)

In addition to the decline in employee RPP coverage, there has been a shift from Defined Benefit (DB) plans to Defined Contribution (DC) plans and other plans. Overall, the proportion of active RPP members in DB plans has declined from 82% to 71% over the last ten years.

While the reduction in DB coverage has been significant in the private sector (from 72% to 47%), it has not occurred in the public sector (slight increase from 93% to 94%). The graph on the right shows the evolution of DB coverage for active RPP members in the public and private sectors from 2003 to 2013.



Since 2004, there has been a trend whereby employers, particularly those in the private sector, have been either establishing or converting to a new type of DB and DC plan. These plans may be for different classes of employees or one benefit type may be for current employees and the other for new employees. The number of active members in this type of plan increased from 18 thousand in 2004 to 570 thousand in 2013. Of these members in 2013, 2% were in the public sector while the remaining 98% were in the private sector.

### Other Types of Tax-Assisted Plans Offered by Employers (2012)

In 2012, there were 6.2 million active RPP members, which represented 33% of the labour force and 38% of employees. In addition, approximately 1.5 million individuals participated in an employer-sponsored Group Registered Retirement Savings Plan (RRSP) and/or a Deferred Profit Sharing Plan (DPSP) in 2012. This group of 1.5 million individuals excludes active RPP members who were also participating in an employer-sponsored Group RRSP and/or DPSP given that they are already included in the 6.2 million.

When adding the individuals participating in an employer-sponsored Group RRSP and/or DPSP to the number of active RPP members, the 2012 coverage rates for employer-sponsored tax-assisted plans increase from 33% to 40% of the labour force, and from 38% to 48% of employees. Assuming that all those individuals are in the private sector, the theoretical 2012 coverage rate for employees in the private sector increases from 24% to 36%.

### Registered Retirement Savings Plans (RRSP) (2013)

The number of tax filers who contributed to a RRSP (group and individual) was 6.0 million in both 2003 and 2013. However, the proportion of tax filers who contributed to a RRSP decreased from 26% to 23% over the same period. As shown in the table below, this decreasing share was observed in all age groups, except for the 65 and over age group which increased. Furthermore, the age distribution of RRSP contributors has changed such that the average age of RRSP contributors increased from 43 to 46 over the last ten years.

#### Proportion of Tax Filers Who Contributed to a RRSP by Age Group and Year

	Age Groups						Total	Average Age of Contributors
	Under 25	25-34	35-44	45-54	55-64	65 and over*		
2003	8%	31%	37%	40%	33%	3%	26%	43
2013	6%	27%	34%	37%	31%	6%	23%	46

\*the proportion of the labour force aged 65 and over who contributed to a RRSP stood at 42% and 45% in 2003 and 2013 respectively

The proportion of tax filers who contribute to a RRSP also varies by total income class. As shown in the table below, this proportion increases with the tax filer's total income. In 2013, 61% of tax filers with total income of \$80,000 or more contributed to a RRSP.

**Proportion of Tax Filers Who Contributed to a RRSP by Total Income Class and Year**

	Total Income Class					Total
	Less than \$20,000	\$20,000- 40,000	\$40,000- 60,000	\$60,000- 80,000	\$80,000 or more	
2003	5%	41%*	41%*	41%*	68%	26%
2013	3%	16%	36%	44%	61%	23%

\*Before 2007, income classes \$20,000-40,000, \$40,000-60,000 and \$60,000-80,000 were grouped together.

**Tax Free Savings Account (TFSA) (2013)**

Since 2009, Canadians also have the option to contribute to a TFSA. As of the end of 2013, there were 10.7 million TFSA holders, which represents 42% of tax filers.

The number of TFSA holders who contributed to a TFSA increased from 4.5 million in 2009 to 6.8 million in 2013, which represents 19% and 27% of tax filers respectively. The tables below show the proportion of tax filers who contributed to a TFSA by age group and by total income class in both 2009 and 2013.

**Proportion of Tax Filers Who Contributed to a TFSA by Age Group and Year**

	Age Groups						Total
	Under 25	25-34	35-44	45-54	55-64	65 and over	
2009	9%	15%	15%	18%	24%	26%	19%
2013	19%	28%	23%	25%	29%	32%	27%

**Proportion of Tax Filers Who Contributed to a TFSA by Total Income Class and Year**

	Total Income Class					Total
	Less than \$20,000	\$20,000- 40,000	\$40,000- 60,000	\$60,000- 80,000	\$80,000 or more	
2009	11%	18%	24%	26%	30%	19%
2013	18%	26%	32%	33%	38%	27%

**Conclusion**

The number of active RPP members has increased over the last 10 years, with the number of women increasing faster than for men. Despite this, the number of active RPP members as a percentage of the labour force and as a percentage of employees has decreased. The proportion of active RPP members in DB plans has decreased over the last ten years due to a significant decrease in DB coverage in the private sector.

From 2003 to 2013, there has been a decreasing share of tax filers contributing to a RRSP. However, the share of tax filers contributing to a TFSA has increased between 2009 and 2013.

**Source of Information**

- Various Statistics Canada data tables;
- Information provided by the Income, Pensions and Wealth Division, Statistics Canada; and,
- Canada Revenue Agency TFSA statistics.

**Contact Information**

For more information about the Office of the Chief Actuary or the Office of the Superintendent of Financial Institutions Canada, please

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