



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

### RPP By Number (2018)

The total number of active RPP members increased steadily from 6.0 million in 2008 to 6.4 million in 2018, an increase of 7% over the last ten years.

### RPP By Contributory Status (2018)

The proportion of active RPP members participating in a contributory pension plan increased from 82% in 2008 to 89% in 2018.

### RPP By Sex (2018)

In 2018, women accounted for 50% of the 6.4 million active RPP members. The share of RPP membership for women has been increasing through time. In 1985, only 35% (1.6 million) of active RPP members were women. This proportion increased to 45% (2.3 million) in 1998, was at 50% (3.0 million) in 2008 and at 50% (3.2 million) in 2018.

### RPP As a Percentage of Labour Force (2018)

The number of active RPP members as a percentage of the labour force decreased from 33% in 2008 to 32% in 2018.

### RPP As a Percentage of Employees (2018)

Although the number of active RPP members has increased in the last ten years, the number of employees has grown at a faster pace. As a result, the proportion of employees covered by a RPP decreased from 39% in 2008 to 38% in 2018.

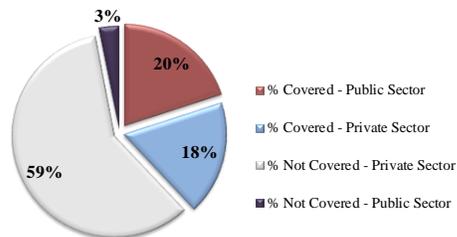
While the RPP coverage as a percentage of employees declined for men, from 37% in 2008 to 36% in 2018, the coverage for women remained constant at around 40% over the same period. As a proportion of employees, the coverage for women has been higher than the coverage for men over the last ten years.

### RPP By Sector of Activity (2018)

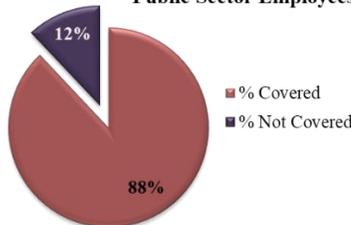
The RPP coverage in the public sector increased from 85% in 2008 to 88% in 2018, while the number of active RPP members in the public sector increased from 2.9 million to 3.4 million.

The RPP coverage in the private sector decreased from 25% in 2008 to 23% in 2018, while the number of active RPP members in the private sector decreased from 3.1 million to 3.0 million.

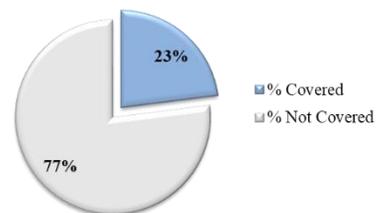
Distribution of Employees in 2018 - By Sector and RPP Coverage



RPP Coverage - Public Sector Employees



RPP Coverage - Private Sector Employees



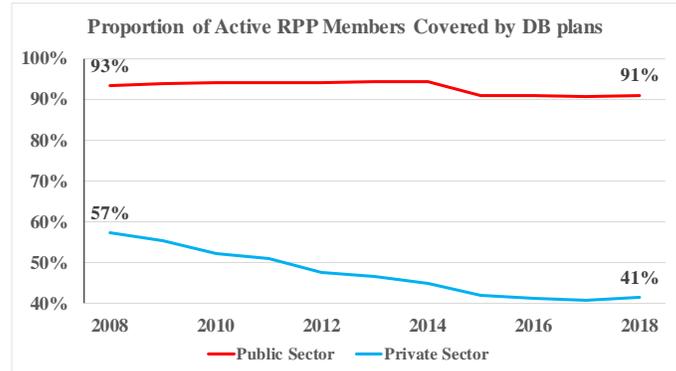


### RPP By Type of Plan – Defined Benefit Plan, Defined Contribution Plan and Other Plans (2018)

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 75% to 67% over the last ten years.

While the reduction in DB coverage has been significant in the private sector (from 57% to 41%), there has only been a slight decrease in the public sector (from 93% to 91%).

The graph on the right shows the evolution of DB coverage for active RPP members in the public and private sectors from 2008 to 2018.



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 18,000 in 2004 to 705,000 in 2018. Of these members in 2018, 11% were in the public sector while the remaining 89% were in the private sector.

### Estimation of Other Types of Tax-Assisted Plans Offered by Employers (2018)

In 2018, there were 6.4 million active RPP members, which represented 32% of the labour force and 38% of employees.

Based on the 2016 Survey of Financial Security, an additional 1.6 million individuals participated in an employer-sponsored Group Registered Retirement Savings Plan (RRSP) and/or a Deferred Profit Sharing Plan (DPSP) and were not active members of an RPP. Assuming that the number of individuals who participated in an employer-sponsored Group RRSP and/or a DPSP has not changed from 2016 to 2018, there would be an estimated total of 8.0 million individuals who participated in at least one of the employer-sponsored tax-assisted plans in 2018. As a result, employer-sponsored tax-assisted plans coverage rates would be 40% of the labour force and 47% of employees.

Assuming that all 1.6 million individuals are in the private sector, the theoretical 2018 coverage rate for employees in the private sector would increase from 23% to 35%.

Statistics Canada plans to release a new edition of its Survey of Financial Security, on which the present results are based. New estimates should therefore be available once the data of the new survey becomes available, currently scheduled for the end of 2020.

### Registered Retirement Savings Plans (RRSP) (2018)

The number of tax filers who contributed to a RRSP (group and individual) was 6.2 million in 2008 and 6.0 million in 2018. The proportion of tax filers who contributed to a RRSP decreased from 26% to 22% over the same period. As shown in the table below, the decrease is observed in all age groups except age 65 and over. Furthermore, the age distribution of RRSP contributors has changed such that the average age of RRSP contributors increased from 45 to 46 over the last ten years.

**Table 1 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 *		
<b>2008</b>	8%	30%	37%	38%	32%	4%	26%	45
<b>2018</b>	6%	23%	33%	35%	31%	6%	22%	46

\*the proportion of the labour force aged 65 and over who contributed to a RRSP stood at 43% and 42% in 2008 and 2018 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 2018, 55% of tax filers with total income of \$80,000 or more contributed to a RRSP.

**Table 2 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	
<b>2008</b>	4%	22%	42%	52%	60%	26%
<b>2018</b>	2%	11%	29%	40%	55%	22%

### Tax Free Savings Account (TFSA) (2018)

Since 2009, Canadians also have the option to contribute to a TFSA. As of the end of 2018, there were 14.7 million TFSA holders, which represents 54% of tax filers.

The number of TFSA holders who contributed to a TFSA increased from 4.5 million in 2009 to 8.5 million in 2018, which represents 19% and 31% 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 2018.

**Table 3 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	
<b>2009</b>	9%	15%	15%	18%	24%	26%	19%
<b>2018</b>	20%	34%	30%	30%	34%	34%	31%
<b>2018 contributors (millions)</b>	0.6	1.6	1.3	1.3	1.6	2.1	8.5

**Table 4 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	
<b>2009</b>	11%	18%	24%	26%	30%	19%
<b>2018</b>	20%	27%	37%	40%	45%	31%
<b>2018 contributors (millions)</b>	1.6	1.9	1.8	1.2	2.0	8.5

### Conclusion

The number of active RPP members has increased over the last ten years, with the number of women increasing faster than the number of men. Despite this, the number of active RPP members as a percentage of the labour force and as a percentage of employees has slightly 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 2008 to 2018, the number of tax filers who have contributed to a RRSP has been decreasing. However, the number of tax filers contributing to a TFSA has increased between 2009 and 2018.



### 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

- Visit our Web site at [www.osfi-bsif.gc.ca](http://www.osfi-bsif.gc.ca), or
  - Toll-Free line: 1-800-385-8647
  - Local calls (Ottawa and Gatineau): (613) 943-3950
-