



Employer-Sponsored or Registered Pension Plan (RPP) Coverage (Canada)

By Number (2005)

The total number of plan members covered by an RPP increased from 5.1 million in 1995 to 5.7 million in 2005, an increase of 11% over the last 10 years.

By sex (2005)

Amongst the 5.7 million plan members covered by an RPP, 3 million were men and 2.7 women. The proportion of female members increased from 44% in 1995 to 48% in 2005. Female members increased from 2.3 million to 2.7 million, while male members remained at the same level over the same period. Only 1.6 million female members were covered by an RPP 20 years ago.

As a percentage of labour force (2005)

The number of RPP members as a percentage of the labour force declined from 35% in 1995 to 33% in 2005, a decrease of 2% in the last 10 years. In the previous 10 years, it had been stable at 35%.

As a percentage of paid workers (2005)

The proportion of paid workers covered by an RPP declined from 43% in 1995 to 39% in 2005, a drop of 4% in the last 10 years.

While the RPP coverage by percentage of paid workers declined significantly for men, from 45% in 1995 to 38% in 2005, the decrease for women was smaller, from 41% to 39% over the same period. As a proportion of paid workers, the coverage for women is now higher than for men, a situation never seen before.

By sector of activity (2005)

The RPP coverage in the public sector decreased from 92% to 84% of paid workers from 1995 to 2005, while the number of members increased from 2.5 to 2.7 million.

The RPP coverage in the private sector decreased from 32% to 26% of paid workers from 1995 to 2005, while the number of members covered increased from 2.7 to 3.0 million. The RPP coverage among males in the private sector declined by 5% over the last decade and appears to be declining still.

By type of benefits (2005)

In addition to the decline in RPP coverage, there has been a shift from Defined Benefit (DB) to Defined Contribution (DC) plans. Overall, the proportion of plan members in DB plans has declined from 90% to 84% over the last ten years.

While the shift from DB to DC plans has been greatest in the private sector (from 84% to 75%), it has also occurred in the public sector as well (from 95% to 93%).

By size of employer (2005)

The increase of RPP coverage rises dramatically with employer size, from 3% of employers in companies with less than 50 employees to 82% in companies with over 500 employees. Companies with less than 100 employees account for only 4% of RPP members, but two-thirds of the non-member population.



By level of income (2004) The RPP coverage varies widely by level of income; only 14% of workers (C/QPP contributors) with less than \$30,000 in annual income are covered by an RPP, while this figure increases to 63% for workers with annual incomes higher than \$60,000.

Retirement savings (2004) For tax filers under age 45 with income of \$60,000, about 82% of workers saved in RPPs and/or RRSPs. This figure surpasses 90% with income levels higher than \$80,000.

For tax filers in the 45-64 age group, the pattern is the same, going from 90% to 95% at income levels higher than \$80,000.

From 1993 to 2004, the savings rates, once RPPs and RRSPs are both taken into account, have remained the same or increased slightly. The increase is significant in the age group 45-64 with income between \$40,000 and \$100,000, where the savings rate has increased from 10% to 13%.

Conclusion RRSP savings have increased dramatically over the past 30 years and RRSP contribution levels have exceeded those of RPPs over most of the past decade. To this point, increasing RRSP savings appears to have offset the decline in RPP coverage.

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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(Note: All statistics are related to workers covered by an RPP)

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