



Registered Pension Plan (RPP) and Retirement Savings Coverage (Canada)

By Number (2007)	The total number of plan members covered by an RPP increased steadily from 5.1 million in 1997 to 5.9 million in 2007, an increase of 16% over the last 10 years.
By sex (2007)	Amongst the 5.9 million plan members covered by an RPP, 3.0 million were men and 2.9 women. The proportion of female members increased from 44% in 1997 to 49% in 2007. Female members increased from 2.2 million to 2.9 million, while male members increased from 2.9 million to 3.0 million over the same period. Only 1.7 million female members were covered by an RPP 20 years ago.
As a percentage of labour force (2007)	The number of RPP members as a percentage of the labour force declined from 34% in 1997 to 33% in 2007, a decrease of 1% in the last 10 years. In the previous 10 years, it had been stable at 35%.
As a percentage of paid workers (2007)	<p>The proportion of paid workers covered by an RPP declined from 42% in 1997 to 38% in 2007, a drop of 4% in the last 10 years. Although the number of RPP members has increased in the last 10 years (5.1 million in 1997 to 5.9 million in 2007), the number of paid workers has grown at a faster pace, which explains the decline in the proportion of paid workers with an RPP.</p> <p>While the RPP coverage by percentage of paid workers declined significantly for men, from 43% in 1997 to 38% in 2007, the decrease for women was smaller, from 40% to 39% over the same period. As a proportion of paid workers, the coverage for women is now higher than for men since 2005.</p>
By sector of activity (2007)	<p>The RPP coverage in the public sector decreased from 88% to 84% of public sector employees from 1997 to 2007, while the number of members increased from 2.4 to 2.8 million.</p> <p>The RPP coverage in the private sector decreased from 28% to 26% of private sector employees from 1997 to 2007, while the number of members covered increased from 2.7 to 3.1 million.</p>
By type of benefits (2007)	<p>In addition to the decline in RPP coverage, there has been a shift from Defined Benefit (DB) to Defined Contribution (DC) plans and other hybrid plans. Overall, the proportion of plan members in DB plans has declined from 86% to 77% over the last ten years.</p> <p>While the shift from DB to DC plans has been greatest in the private sector (from 78% to 62%), it has also occurred in the public sector as well (from 95% to 93%).</p>



In the last ten years, there has been a trend to convert DB plans into plans that have both DB and DC components. As a result, the proportion of plan members in these types of plans has increased from 2% to 12% in the private sector, and from 1% to 2% in the public sector.

Retirement savings (2007)

Just under 6.3 million taxfilers contributed to registered retirement savings plans (RRSP) in 2007, up 1.6% from 2006. Their contributions rose by 5.3% to \$34.1 billion. The \$34.1 billion in RRSP contributions in 2007 represented about 6.0% of the total room available to eligible taxfilers, down from 7.0% in 2006.

Although nearly 88% of 2007 taxfilers were eligible to contribute to an RRSP, only 31% actually made contributions. These two proportions remain unchanged from 2006.

Nationally, the median contribution was \$2,780, up 1.8% from \$2,730 in 2006. In 2007, the lowest median contribution was \$2,150 in Prince Edward Island and the highest median contribution was \$4,330 in Nunavut.

Expectations of retirement income adequacy (2007)

Statistics Canada conducted a Survey on Canadian Social Trends, of all non-retired persons (excluding residents of Nunavut, the Yukon and Northwest Territories) 45 years of age and over who expressed a certainty about their planned retirement age. About 74% of those covered by an RPP expect their retirement income to be adequate, while it drops to 60% if they are not covered by an RPP.

Conclusion

The number of plan members covered by an RPP has increased over the last 10 years, with the number of women increasing faster than for men. However, the number of members as a percentage of the labour force has decreased slightly in the last ten years. The proportion of members in DB plans is decreasing at a faster pace in the private sector than in the public sector.

There are still large proportions of taxfilers not contributing into RRSPs. Of those contributing, the median contribution was \$2,780 in 2007.

Source of Information

Various Statistics Canada publications and tables, and Information provided by the Income Statistics Division, Pension Plans in Canada, Statistics Canada

Contact Information

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