



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

By Number (2008)

The total number of plan members covered by an RPP increased steadily from 5.1 million in 1998 to 6.0 million in 2008, an increase of 18% over the last 10 years.

By sex (2008)

Amongst the 6.0 million plan members covered by an RPP, 3.1 million were men and 2.9 million were women. The proportion of female members increased from 45% in 1998 to 49% in 2008. Female members increased from 2.3 million to 2.9 million, while male members increased from 2.8 million to 3.1 million over the same period. Only 2.0 million female members were covered in 1989.

As a percentage of labour force (2008)

The number of RPP members as a percentage of the labour force remained stable at 33% from 1998 to 2008.

As a percentage of paid workers (2008)

The proportion of paid workers covered by an RPP declined from 41% in 1998 to 38% in 2008, a drop of 3% percentage points in the last 10 years. Although the number of RPP members has increased in the last 10 years (5.1 million in 1998 to 6.0 million in 2008), the number of paid workers has grown at a faster pace, which explains the decline in the proportion of paid workers with an RPP.

While the RPP coverage as a percentage of paid workers declined significantly for men, from 42% in 1998 to 37% in 2008, the coverage for women remained stable at 39% over the same period. As a proportion of paid workers, the coverage for women is now higher than for men since 2004.

By sector of activity (2008)

The RPP coverage in the public sector decreased from 87% to 84% of public sector employees from 1998 to 2008, while the number of members increased from 2.4 to 2.9 million (2.8 million in 2007).

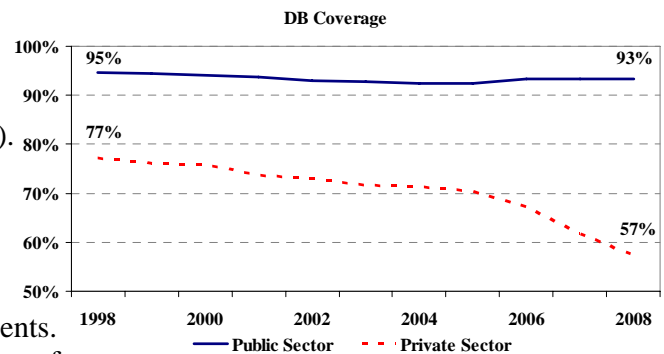
The RPP coverage in the private sector decreased from 28% to 25% of private sector employees from 1998 to 2008, while the number of members covered increased from 2.7 to 3.1 million (also 3.1 million in 2007).

By type of benefits (2008)

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 paid workers in DB plans has declined from 85% to 75% over the last ten years.

While the shift from DB to DC plans has been greatest in the private sector (from 77% to 57%), it has also occurred in the public sector as well (from 95% to 93%). The graph on the right shows the evolution of DB coverage in the public and private sectors from 1998 to 2008.

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 16% in the private sector, and from 1% to 2% in the public sector.





Retirement savings (2008)

Statistics Canada prepared a research paper on the participation in private retirement savings plans for the period from 1997 to 2008.

The number of Registered Retirement Savings Plan (RRSP) contributors remained near 6.0 million between 1997 and 2008, while the share of employed tax filers contributing to a RRSP decreased from 41% in 1997 to 34% in 2008, the most significant part of the decrease occurring between 1997 and 2003.

The employed tax filers were broken down into five age groups and into income quintiles.

Proportion of Employed Tax Filers Contributing to a RRSP

Age Groups	Bottom 2 Quintiles		3rd Quintile		Top 2 Quintiles		Total	
	1997	2008	1997	2008	1997	2008	1997	2008
15-24	8%	4%	41%	28%	60%	42%	14%	9%
25-34	15%	12%	43%	37%	67%	58%	41%	34%
35-54	18%	14%	43%	38%	68%	61%	49%	43%
55-64	22%	15%	46%	37%	69%	59%	50%	42%
65+	8%	5%	17%	11%	36%	29%	23%	17%
Total	14%	10%	42%	35%	67%	58%	41%	34%

A declining share of tax filers with employment income contributing to a RRSP is found within each age category, within each income quintile and within each combination of age and income quintile category between 1997 and 2008.

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.

From 1997 to 2008, there has been a decreasing share of employed tax filers contributing to a RRSP.

Source of Information

Various Statistics Canada tables;

Information provided by the Income Statistics Division, Pension Plans in Canada, Statistics Canada; and Statistics Canada, 2010, Participation in Private Retirement Savings Plan, 1997 to 2008, Catalogue no. 13F0026M, no. 1.

Contact Information

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