



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

### By Number (2011)

The total number of active RPP members increased steadily from 5.5 million in 2001 to 6.1 million in 2011, an increase of 11% over the last 10 years.

### By Sex (2011)

The 6.1 million active RPP members were almost evenly split between males and females in 2011. The proportion of female members increased from 46% in 2001 to 50% in 2011, while the proportion of male members decreased from 54% to 50% over the same period. Female members increased from 2.5 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 1991).

### As a Percentage of Labour Force (2011)

The number of active RPP members as a percentage of the labour force declined slightly from 34% in 2001 to 32% in 2011.

### As a Percentage of Employees (2011)

The proportion of employees covered by a RPP declined from 40% in 2001 to 38% in 2011, a drop of two percentage points in the last 10 years. Although the number of active RPP members has increased in the last 10 years (5.5 million in 2001 to 6.1 million in 2011), the number of employees has grown at a faster pace, which explains the decline in the proportion of employees with a RPP.

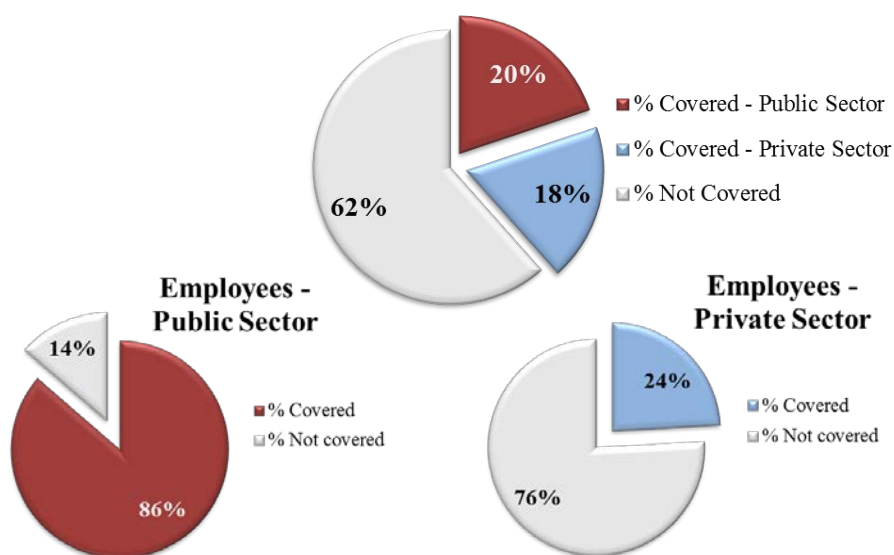
While the RPP coverage as a percentage of employees declined for men, from 41% in 2001 to 37% in 2011, the coverage for women increased from 39% to 40% over the same period. As a proportion of employees, the coverage for women has been higher than the coverage for men since 2004.

### By Sector of Activity (2011)

The RPP coverage in the public sector decreased slightly from 87% in 2001 to 86% in 2011, while the number of active RPP members in the public sector increased from 2.5 million to 3.1 million.

The RPP coverage in the private sector decreased from 28% in 2001 to 24% in 2011, while the number of active RPP members in the private sector remained constant at around 3.0 million.

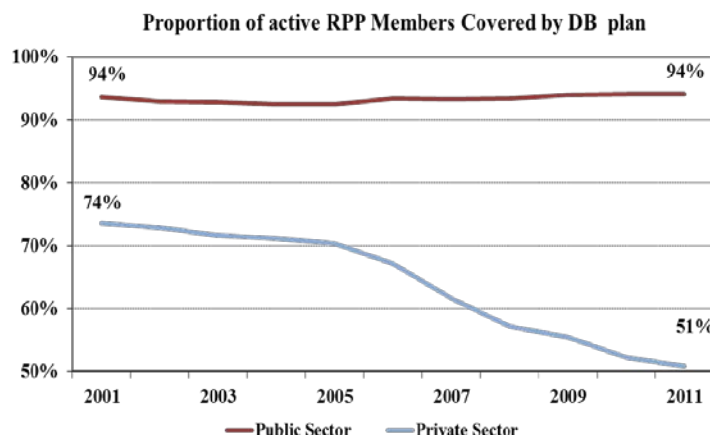
Employees Covered by an RPP in 2011 -  
By Sector of Activity



**By type of benefits – Defined Benefit Plan, Defined Contribution Plan and Other Plans (2011)**

In addition to the decline in RPP coverage, there has been a shift from Defined Benefit (DB) to Defined Contribution (DC) plans and other plans. Overall, the proportion of active RPP members in DB plans has declined from 83% to 73% over the last ten years.

While the reduction in DB coverage has been significant in the private sector (from 74% to 51%), it has not occurred in the public sector (stable at 94%). The graph on the right shows the evolution of DB coverage for active RPP members in the public and private sectors from 2001 to 2011.



Since 2004, there has been a trend, particularly in the private sector, to convert DB plans into plans where employees are covered either by a DB or a DC component. The number of active members in this type of plan increased from 18 thousand in 2004 to 498 thousand in 2011. Of these members in 2011, 2% were in the public sector while the remaining 98% were in the private sector.

**Retirement savings – Registered Retirement Savings Plans & Tax-Free Savings Accounts (2011)**

The number of tax filers contributing to a Registered Retirement Savings Plan (RRSP) decreased from 6.2 million to 6.0 million between 2001 and 2011. The share of the labour force contributing to a RRSP also decreased from 39% to 32% over the same period. As shown in the first table below, although this decreasing share was observed in all age groups, it has been more important in the age groups over 55. However, as shown in the second table below, the age distribution of RRSP contributors has changed such that the average age of RRSP contributors increased from 43 to 45 over the last ten years.

**Proportion of the Labour Force Contributing to a RRSP by Age Group**

	Age Groups						Total
	Under 25	25-34	35-44	45-54	55-64	65+	
2001	12%	36%	42%	48%	59%	57%	39%
2011	6%	28%	34%	39%	46%	43%	32%

**Distribution of RRSP Contributors by Age Group**

	Age Groups						Average Age of Contributors
	Under 25	25-34	35-44	45-54	55-64	65+	
2001	5%	21%	30%	28%	14%	2%	43
2011	3%	19%	23%	30%	21%	4%	45

By the end of 2011, approximately 8.2 million Canadians had opened a Tax-Free Savings Account (TFSA), compared to 6.7 million at the end of 2010 and 4.9 million at the end of 2009. The share of adult tax filers who are TFSA holders has increased from 19% in 2009 to 31% in 2011.

**Conclusion**

The number of active plan members covered by a RPP has increased over the last 10 years, with the number of women increasing faster than for men. However, the number of active members as a percentage of the labour force has decreased slightly in the last ten years. 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 2001 to 2011, there has been a decreasing share of the labour force contributing to a RRSP. The share of adult tax filers who are TFSA holders has increased every year since its inception in 2009.



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## Source of Information

- Various Statistics Canada data tables;
- Information provided by the Income Statistics Division, Statistics Canada; and,
- Department of Finance's Tax Expenditures and Evaluations 2012.

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## 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
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