

Study: Employer pensions and the wealth of Canadian families, 2012

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In 2012, the average wealth—defined as the total value of assets minus the total value of debt—of families with registered pension plan (RPP) assets was \$536,000. In contrast, the average wealth of families without RPP assets was \$191,000.

Some of this difference was attributable to the socioeconomic characteristics of families with and without RPP assets.

Persons in families with RPP assets were more likely to have higher after-tax incomes, to be born in Canada, to be part of a couple, to have a university degree, and to have longer job tenure than persons in families without RPP assets.

These differences in family characteristics accounted for approximately half of the difference in average wealth observed between families with and without RPP assets.

It is estimated that families with no RPP assets would have an average wealth of \$359,000 if they had the same socioeconomic characteristics as families with RPP assets.

This means that even among families with the same observed characteristics, a difference of \$177,000 in average wealth remained between those with and without RPP assets.

The findings also indicate that, on average, families without RPPs are not fully compensating for their lack of RPP coverage through increased savings in other assets.

Note to readers

In this study, data from the 2012 Survey of Financial Security (SFS) are used to compare the wealth holdings of family units covered with workplace pension plans with those of other family units. It focuses on families and unattached individuals who had no significant business equity (less than \$1,000) and whose major income recipient was aged 30 to 54 and employed as a paid worker.

Families with RPP assets represented 61% of family units included in the study, while family units without RPP assets accounted for 39%. Families with RPP assets were not necessarily participating in a pension plan at the time of survey collection so RPP assets may be the result of past participation in pension plans or pension contributions by other family members.

The study also includes comparisons with 1999 SFS data.

Definitions, data sources and methods: survey number [2620](#).

The article "Employer pensions and the wealth of Canadian families" is now available online in *Insights on Canadian Society* ([75-006-X](#)). From the *Browse by key resource* module of our website, choose *Publications*.

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