

Pension plans in Canada, as of January 1, 2020

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Over 125,000 more Canadians became active members in a registered pension plan (RPP) in 2019, and the number of active members was up 2% from 2018 to just over 6.5 million. Membership increased the most among those working in Ontario (+54,400), followed by Quebec (+42,800) and British Columbia (+19,200). Membership decreased the most among those working outside Canada (-1,400) and in Alberta (-780).

Women accounted for over three-quarters of the increase in new memberships in an RPP, up 97,500 from 2018 to 3.3 million. Approximately 28,000 more men were members in an RPP in 2019, bringing their total to nearly 3.2 million. Women's share of active membership had surpassed men's in 2016, and it increased by 0.5 percentage points to 51.1% in 2019.

Although the data in this release predate the pandemic, they provide an important benchmark to monitor the impact on pension plans in Canada.

Two-thirds of registered pension plan membership covered by defined benefit plans

Over 4.3 million Canadians were covered by a defined benefit (DB) pension plan in 2019, up 1.4% from 2018. DB plans accounted for two-thirds of members in an RPP in 2019, unchanged from 2018. The share of female membership in a DB plan was 72.6%, compared with 60.2% for male membership.

Membership in defined contribution (DC) plans, the next most common type of pension plan, rose 2.4% in 2019 to over 1.2 million, accounting for 18.7% of all RPP membership. Most members in DC plans work in the private sector, and the overall share of male membership in DC plans was 23.0%, compared with 14.6% of female membership.

Membership in other plan types, excluding DB and DC plans, such as hybrid, composite and combination plans, grew by more than 37,000 members in 2019. Over 963,000 workers, accounting for 14.7% of RPP membership, belonged to plans not classified as the conventional DB or DC models. A more similar share of male membership (16.8%) and female membership (12.8%) belonged to these less conventional plan types.

Both public and private sectors add members

Both public and private sector pension plans saw membership grow in 2019, but more than two-thirds of the increase occurred in the public sector. Membership in public sector pension plans increased by nearly 87,000 in 2019 (+80,700 women and +6,200 men) to 3.5 million, accounting for 53.2% of total RPP membership.

Meanwhile, the number of members in private sector plans rose by 38,600 (+21,800 men and +16,800 women) to 3.1 million. The number of members in private sector DB pension plans fell by 1.6% (-19,000), but this was more than offset by increased membership in DC pension plans (+24,800) and other types of pension plans (+32,800).

Female RPP membership tends to be more concentrated in the public sector, while male RPP membership is higher in the private sector. In 2019, two in three women belonging to an RPP were employed in the public sector, compared with two in five men.

Percentage of paid workers covered by a registered pension plan stable

The pension coverage rate—that is, the proportion of all paid workers covered by an RPP—was 37.1% in 2019, essentially unchanged from 2018 (37.2%). Over the years, the coverage rate has been trending downwards. A decade earlier, in 2009, the coverage rate was 39.4%; 20 years earlier, in 1999, it was 40.8%. The earliest data on coverage rates from the Pension Plans in Canada program are from 1977, when almost half (46.1%) of paid workers were covered by an RPP.



The coverage rate increased for women in 2019, but fell for men. For women, the pension coverage rate edged up 0.3 percentage points to 40.0%, while, for men, it declined 0.5 percentage points to 34.5%.

Total registered pension plan contributions rise

Total employer and employee contributions to RPPs reached \$71.1 billion in 2019, up nearly \$760 million (+1.1%) from 2018. Employer contributions for unfunded liabilities fell to their lowest level in a decade, at \$6.9 billion.

When payments for unfunded liabilities are excluded, employers contributed \$37.6 billion, or 59% of all RPP contributions, while employees accounted for the remaining 41%, or \$26.5 billion. Excluding unfunded liabilities, private sector employers contributed \$14.3 billion in 2019, representing 71% of total private sector employee and employer contributions. Public sector employers contributed \$23.3 billion, or 53% of total public sector employee and employer contributions.

The market value of assets in RPPs increased by over \$188 billion in 2019 to surpass \$2.1 trillion. The 32 largest plans, each with 30,000 or more members, held 58% of the total assets while accounting for just over half (51%) of total memberships.

Note to readers

Registered pension plans (RPPs) are established by employers or unions for employees. These data come from the Pension Plans in Canada program as of January 1, 2020.

*A **defined benefit plan** defines the benefits to be paid according to the terms and conditions of the plan. The employer's contributions are not predetermined, but are a function of the cost of providing the promised pension.*

*A **defined contribution plan** specifies the contributions made by the employer, as well as by the employee if the plan is contributory. Pension benefits paid are a function of accumulated contributions and investment returns.*

***Other plans** include hybrid plans, composite plans, plans that combine defined benefits and defined contributions, and other plans.*

***Membership** is defined as active members of the pension plan currently making contributions to the pension plan or for whom contributions are being made.*

*An **unfunded liability** generally corresponds to any amount by which the assets of a pension plan are less than its liabilities.*

*The **pension coverage rate** is the proportion of all paid workers covered by an RPP and is calculated by combining estimates from the Labour Force Survey and the Pension Plans in Canada program. There are some adjustments for conceptual differences, and the coverage rates may change with each release because of revisions in the data sources.*

Table 1
Registered pension plan membership, by sector and plan type

	2018	2019	2018 to 2019	2018 to 2019
	number		net change	% change
Total, all sectors	6,410,394	6,535,888	125,494	2.0
Males	3,167,976	3,195,993	28,017	0.9
Females	3,242,418	3,339,895	97,477	3.0
Defined benefit plans	4,290,958	4,350,082	59,124	1.4
Males	1,923,359	1,923,891	532	0.0
Females	2,367,599	2,426,191	58,592	2.5
Defined contribution plans	1,193,678	1,222,725	29,047	2.4
Males	719,081	736,164	17,083	2.4
Females	474,597	486,561	11,964	2.5
Other plans ¹	925,758	963,081	37,323	4.0
Males	525,536	535,938	10,402	2.0
Females	400,222	427,143	26,921	6.7
Public sector	3,390,531	3,477,382	86,851	2.6
Males	1,237,637	1,243,807	6,170	0.5
Females	2,152,894	2,233,575	80,681	3.7
Defined benefit plans	3,075,348	3,153,439	78,091	2.5
Males	1,103,179	1,106,016	2,837	0.3
Females	1,972,169	2,047,423	75,254	3.8
Defined contribution plans	155,763	160,042	4,279	2.7
Males	64,617	65,734	1,117	1.7
Females	91,146	94,308	3,162	3.5
Other plans ¹	159,420	163,901	4,481	2.8
Males	69,841	72,057	2,216	3.2
Females	89,579	91,844	2,265	2.5
Private sector	3,019,863	3,058,506	38,643	1.3
Males	1,930,339	1,952,186	21,847	1.1
Females	1,089,524	1,106,320	16,796	1.5
Defined benefit plans	1,215,610	1,196,643	-18,967	-1.6
Males	820,180	817,875	-2,305	-0.3
Females	395,430	378,768	-16,662	-4.2
Defined contribution plans	1,037,915	1,062,683	24,768	2.4
Males	654,464	670,430	15,966	2.4
Females	382,812	392,253	9,441	2.5
Other plans ¹	766,338	799,180	32,842	4.3
Males	455,695	463,881	8,186	1.8
Females	310,643	335,299	24,656	7.9

1. Other plans include hybrid plans, composite plans, plans that combine defined benefits and defined contributions, and other plans.

Source(s): Table 11-10-0106-01 (formerly CANSIM 280-0016).

Table 2
Percentage of paid workers covered by a registered pension plan

	1999	2004	2009	2014	2019
	%				
Total, all sectors	40.8	38.9	39.4	38.4	37.1
Males	42.0	38.9	38.3	36.8	34.5
Females	39.4	39.0	40.5	40.0	40.0
Defined benefit plans	34.5	31.6	29.6	26.8	24.7
Males	34.8	30.6	27.4	23.6	20.8
Females	34.2	32.6	31.9	30.4	29.0
Defined contribution plans	5.6	6.1	6.3	6.7	6.9
Males	6.3	6.9	7.1	7.8	7.9
Females	4.7	5.2	5.4	5.5	5.8
Other plans ¹	0.7	1.2	3.5	4.8	5.5
Males	0.9	1.4	3.8	5.4	5.8
Females	0.6	1.1	3.2	4.1	5.1
Public sector	88.0	84.9	88.5	88.3	88.3
Males	90.4	87.1	85.0	86.5	83.6
Females	86.2	83.5	90.7	89.5	91.1
Defined benefit plans	83.1	78.5	83.2	82.8	80.0
Males	84.9	79.6	79.2	80.1	74.3
Females	81.8	77.9	85.7	84.4	83.5
Defined contribution plans	4.0	4.9	4.1	4.0	4.1
Males	4.2	5.6	4.1	4.4	4.4
Females	3.8	4.4	4.1	3.7	3.8
Other plans ¹	0.9	1.5	1.2	1.6	4.2
Males	1.3	1.9	1.7	2.0	4.9
Females	0.6	1.2	0.9	1.3	3.8
Private sector	28.0	26.4	24.9	24.0	22.4
Males	32.2	29.5	28.5	27.3	25.2
Females	22.3	22.4	20.4	19.8	18.8
Defined benefit plans	21.3	18.8	13.8	10.8	8.8
Males	24.7	21.1	16.5	12.8	10.6
Females	16.8	15.8	10.5	8.3	6.4
Defined contribution plans	6.0	6.4	6.9	7.5	7.8
Males	6.8	7.1	7.8	8.5	8.6
Females	5.0	5.6	5.9	6.3	6.7
Other plans ¹	0.7	1.2	4.2	5.7	5.9
Males	0.8	1.3	4.2	6.1	6.0
Females	0.5	1.0	4.1	5.2	5.7

1. Other plans include hybrid plans, composite plans, plans that combine defined benefits and defined contributions, and other plans.

Source(s): Tables [11-10-0133-01](#) and [14-10-0027-01](#).

Available tables: [11-10-0062-01](#) to [11-10-0064-01](#) , [11-10-0094-01](#) to [11-10-0099-01](#) , [11-10-0106-01](#), [11-10-0111-01](#), [11-10-0114-01](#) to [11-10-0122-01](#) , [11-10-0124-01](#) and [11-10-0133-01](#).

Definitions, data sources and methods: survey number [2609](#).

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