

Registered retirement savings plan contributions, 2020

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In 2020, over 6.2 million Canadians put aside a total of \$50.1 billion for their retirement by making contributions to their registered retirement savings plan (RRSP). Compared with a year earlier, contributions increased 13.1% in 2020, while the number of contributors increased 4.9%.

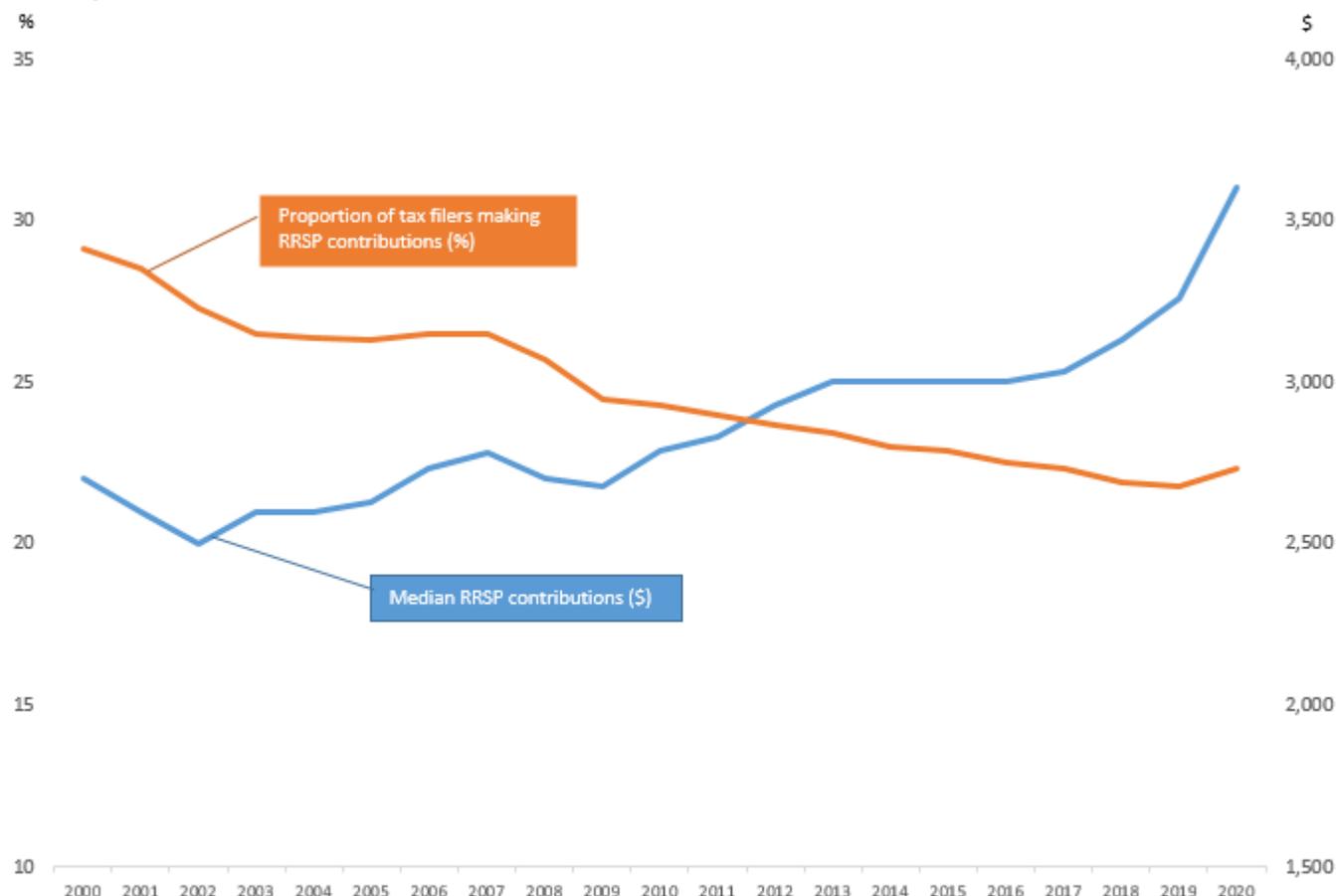
In 2020, the [aggregate total income of Canadians grew by 6.0% in constant dollars, because of federal and provincial government transfers and benefits](#) to assist Canadians financially during the COVID-19 pandemic. Canadians reported a [similar amount of savings in 2020 as in the previous seven years combined](#) due to [higher disposable income and lower consumer spending](#). According to a [report by the Bank of Canada](#), Canadians had accumulated on average \$5,800 in extra savings by the end of 2020. RRSPs are one of the saving vehicles available to Canadians for investing their savings. Other mechanisms such as tax-free savings accounts or non-registered accounts are also available and may appear more flexible in times of uncertainty.

The proportion of tax filers making RRSP contributions reached 22.3% (+0.5 percentage points) in 2020. The increase in the proportion of tax filers making RRSP contributions in 2020 broke a 12-year downward trend, which started in 2008 and coincided with the implementation of the tax-free savings account. It is too early to assess whether this uptick in the contribution rate in 2020 will persist into 2021 or later years.

Meanwhile, the median RRSP contribution in current dollars has trended up since 2008 as contribution limits are raised. The median RRSP contribution reached \$3,600 in 2020, the highest level on record and up from \$3,260 in 2019.



Infographic 1 – Proportion of contributors among tax filers and median Registered Retirement Savings Plan contributions, 2000 to 2020



Note: Amounts are expressed in current dollars.

Source: Income and Financial Data of Individuals, Preliminary T1 Family File (4106), table 11-10-0044-01.

The median Registered Retirement Savings Plan contribution increased in all provinces and territories in 2020, except in Newfoundland and Labrador

In 7 of the 10 provinces and in the three territories, the proportion of tax filers contributing to an RRSP and the total RRSP contributions increased in 2020.

Increases in the median RRSP contribution were largest in Nunavut (+26.7%), Québec (+14.0%) and Nova Scotia (+10.0%).

In 2019 and 2020, Quebec has shown the highest contribution rates (26.3% in 2020). Since 2015, Quebec's contribution rate has been increasing, and the gap has been widening between Quebec and the national rate. Yukon was next highest for the proportion of tax filers making contributions, at 24.5% in 2020.

Newfoundland and Labrador was the only province where both the median contribution (-8.3%) to an RRSP and the proportion of tax filers making contributions (-0.5 percentage points) declined in 2020. In 2020, there was a much faster decrease in the [actual average of hours worked](#) in Newfoundland and Labrador than in other provinces and territories. This loss of hours worked, despite new pandemic benefits, led tax filers in Newfoundland and Labrador

to the smallest increase in median total income across the country. In addition, [saving rates increased across the country](#) but more slowly in Newfoundland and Labrador in 2020. This particular situation might have left tax filers in Newfoundland and Labrador with less money for contributing to an RRSP than in previous years.

In Alberta (+1.7%) and Saskatchewan (+6.6%), the median contribution increased in 2020, but the proportion of tax filers making contributions decreased (by -0.2 percentage points in each province). The median total income of these two provinces grew less than in the rest of the country, which may have limited possibilities of making RRSP contributions.

Table 1
Registered retirement savings plan contributors, Canada, provinces and territories

	Contributors 2020	Contributors 2019 to 2020	Contributors 2020	Total contributions 2020	Total contributions 2019 to 2020	Median contributions 2020	Median contributions 2019 to 2020
	number	change in %	% of tax filers	thousands of dollars	change in %	dollars	change in %
Canada	6,201,670	4.9	22.3	50,053,300	13.1	3,600	10.4
Newfoundland and Labrador	60,740	-1.7	14.9	481,030	-6.4	3,300	-8.3
Prince Edward Island	20,500	6.5	17.2	147,265	11.2	3,120	4.7
Nova Scotia	122,370	3.9	16.6	855,015	8.9	2,970	10.0
New Brunswick	94,340	2.4	15.7	659,805	7.6	3,000	6.0
Quebec	1,719,310	6.6	26.3	13,455,150	17.3	3,420	14.0
Ontario	2,272,520	5.5	21.3	19,358,980	14.1	3,790	8.3
Manitoba	191,790	3.7	19.8	1,215,810	11.8	2,540	5.8
Saskatchewan	171,310	0.1	20.7	1,106,610	6.5	2,890	6.6
Alberta	732,320	1.1	23.8	5,817,850	6.1	3,560	1.7
British Columbia	801,060	5.5	21.0	6,830,360	12.6	4,040	6.3
Yukon	6,890	4.1	24.5	55,715	8.2	3,800	6.7
Northwest Territories	6,480	2.2	22.3	50,915	9.6	3,820	8.5
Nunavut	2,070	3.0	10.1	18,805	22.1	4,940	26.7

Source(s): Income and Financial Data of Individuals, Preliminary T1 Family File (4106), table 11-10-0044-10.

Median Registered Retirement Savings Plan contributions in Vancouver, Toronto and Calgary are still the highest among the census metropolitan areas

Similar to 2019, Vancouver (\$4,700), Toronto (\$4,600) and Calgary (\$4,200) were the three census metropolitan areas (CMA) with the highest median RRSP contributions in 2020.

St. John's was the only CMA in which the median RRSP contribution decreased from 2019 to 2020 (-7.5%). It was also the only CMA where the percentage of tax filers to make RRSP contributions declined in the same period (-0.2 percentage points). Nevertheless, St. John's median RRSP contribution (\$3,700) remained marginally higher than the national median (\$3,600) in 2020.

On the other hand, Belleville and Winnipeg had the lowest RRSP median contribution amount (\$2,600 in each case) followed by Lethbridge (\$2,610).

Similar to 2019, Québec (31.5%), Montréal (27.5%) and Calgary (26.5%) remained the CMAs where contributions to RRSP were more frequent among tax filers in 2020. In contrast, tax filers in Abbotsford–Mission (17.4%), Belleville (17.6%) and St. Catharines–Niagara (18.1%) remained least likely to contribute in 2020.

Table 2
Registered retirement savings plan contributors, census metropolitan areas

	Contributors 2020	Contributors 2019 to 2020	Contributors 2020	Total contributions 2020	Total contributions 2019 to 2020	Median contributions 2020	Median contributions 2019 to 2020
	number	change in %	% of tax filers	thousands of dollars	change in %	dollars	change in %
Canada	6,201,670	4.9	22.3	50,053,300	13.1	3,600	10.4
St. John's	33,180	-0.2	21.4	278,750	-3.5	3,700	-7.5
Halifax	68,880	5.2	21.6	513,845	11.1	3,300	10.0
Moncton	22,160	3.8	18.8	152,430	10.6	2,990	8.7
Saint John	20,310	1.3	20.8	147,360	7.8	3,500	6.1
Saguenay	32,630	4.2	25.3	247,940	12.9	3,000	11.9
Québec	203,440	5.7	31.5	1,542,720	14.7	3,300	11.1
Sherbrooke	44,570	7.8	25.6	326,460	20.2	3,000	13.6
Trois-Rivières	31,010	6.0	24.4	254,140	16.6	3,100	14.8
Montréal	892,930	7.2	27.5	7,430,360	18.0	3,900	14.7
Ottawa–Gatineau, Ontario/Quebec	247,570	6.5	23.8	2,096,185	15.0	3,800	7.0
Ottawa–Gatineau, Quebec part	57,890	6.7	22.8	398,180	17.5	3,100	11.5
Ottawa–Gatineau, Ontario part	189,680	6.4	24.2	1,698,005	14.5	4,000	7.8
Kingston	24,150	4.5	19.9	182,720	14.0	2,660	6.4
Belleville	14,300	3.8	17.6	95,215	7.8	2,600	8.3
Peterborough	16,040	3.0	18.5	127,870	13.1	2,760	6.2
Oshawa	65,310	6.8	22.3	558,450	26.1	3,100	7.3
Toronto	1,061,680	6.3	22.3	9,675,645	13.7	4,600	9.5
Hamilton	128,100	5.4	22.2	1,087,175	14.7	3,600	10.1
St. Catharines–Niagara	58,900	5.1	18.1	456,935	16.7	2,780	6.9
Kitchener–Cambridge–Waterloo	101,180	4.3	23.9	828,960	11.4	3,660	6.1
Brantford	22,010	5.4	20.5	158,290	13.5	2,880	6.7
Guelph	30,490	5.1	24.9	251,695	14.9	3,600	10.1
London	82,020	5.0	20.7	628,640	12.9	3,020	4.9
Windsor	50,180	5.0	19.3	409,425	23.7	3,360	10.9
Barrie	31,850	7.1	20.9	233,160	15.6	2,800	7.7
Greater Sudbury	24,290	1.7	19.4	170,315	6.3	2,900	9.4
Thunder Bay	18,150	1.9	19.9	125,380	8.4	2,820	8.5
Winnipeg	135,720	4.3	22.2	869,530	12.3	2,600	8.3
Regina	45,440	1.0	24.7	288,145	8.2	2,800	7.7
Saskatoon	53,750	1.4	23.4	361,455	8.8	3,000	5.6
Lethbridge	19,110	1.5	21.3	114,655	2.5	2,610	2.0
Calgary	285,190	2.4	26.5	2,585,310	6.5	4,200	2.7
Edmonton	247,980	1.5	24.4	1,814,310	8.3	3,330	2.5
Kelowna	31,920	7.3	19.4	277,825	14.3	3,600	9.1
Abbotsford–Mission	24,880	5.6	17.4	176,975	15.6	3,000	7.1
Vancouver	473,540	6.4	23.1	4,243,480	13.8	4,700	9.3
Victoria	64,310	3.3	21.6	524,515	10.4	3,600	11.8

Source(s): Income and Financial Data of Individuals, Preliminary T1 Family File (4106), table 11-10-0044-01.

Overall increase in proportion of tax filers making Registered Retirement Savings Plan contributions led by those with higher income levels

In 2020, the proportion of tax filers who contributed to an RRSP increased in Canada (+0.5 percentage points) due to the increased participation of those in income brackets of \$120,000 or more (+0.2 to 1.4 percentage points) and a shift of many tax filers towards higher income brackets in 2020. The increase in contributions may reflect a greater opportunity for higher earners to save more in 2020, as consumption of travel and some services were restricted. However the differential across income groups stems in part from the tax incentives built into the RRSP. These incentives are mainly to reduce high income tax rates by contributing in high-income years and withdrawing at a lower tax rate in the future.

Table 3
Percentage of tax filers who contribute to a registered retirement savings plan and median contribution by income group and sex, Canada

	Contributors 2019	Contributors 2020	Contributors 2019 to 2020	Median contributions 2019	Median contributions 2020	Median contributions 2019 to 2020	Contributors 2020
	% of tax filers		change in percentage points	dollars		change in %	% of contributors
All tax filers	21.8	22.3	0.5	3,260	3,600	10.4	100.0
Less than \$20,000	2.0	2.0	0.0	950	1,080	13.7	1.9
\$20,000 to \$39,999	10.1	8.8	-1.3	1,210	1,300	7.4	11.9
\$40,000 to \$59,999	27.7	25.6	-2.1	2,000	2,010	0.5	22.4
\$60,000 to \$79,999	39.2	38.0	-1.2	3,100	3,180	2.6	20.1
\$80,000 to \$99,999	47.9	47.1	-0.8	4,200	4,350	3.6	15.3
\$100,000 to \$119,999	54.5	54.1	-0.4	5,500	5,630	2.4	9.9
\$120,000 to \$139,999	59.2	59.4	0.2	7,950	8,020	0.9	5.8
\$140,000 to \$159,999	62.3	63.0	0.7	10,330	10,560	2.2	3.5
\$160,000 or more	65.0	66.4	1.4	18,840	20,000	6.2	9.1
Tax filing men	24.1	24.6	0.5	4,000	4,280	7.0	100.0
Less than \$20,000	1.7	1.8	0.1	1,000	1,200	20.0	1.2
\$20,000 to \$39,999	8.4	7.5	-0.9	1,300	1,470	13.1	8.1
\$40,000 to \$59,999	24.6	22.9	-1.7	2,030	2,070	2.0	18.5
\$60,000 to \$79,999	37.0	36.0	-1.0	3,110	3,200	2.9	20.0
\$80,000 to \$99,999	46.6	45.9	-0.7	4,390	4,550	3.6	16.4
\$100,000 to \$119,999	54.0	53.7	-0.3	5,710	6,000	5.1	11.4
\$120,000 to \$139,999	58.8	59.0	0.2	7,810	8,160	4.5	7.3
\$140,000 to \$159,999	62.5	62.9	0.4	10,050	10,500	4.5	4.6
\$160,000 or more	66.0	67.1	1.1	18,800	20,000	6.4	12.4
Tax filing women	19.6	20.1	0.5	2,600	2,960	13.8	100.0
Less than \$20,000	2.3	2.1	-0.2	900	1,000	11.1	2.7
\$20,000 to \$39,999	11.3	9.8	-1.5	1,200	1,300	8.3	16.2
\$40,000 to \$59,999	30.9	28.2	-2.7	2,000	2,000	0.0	26.7
\$60,000 to \$79,999	42.2	40.6	-1.6	3,100	3,170	2.3	20.2
\$80,000 to \$99,999	49.8	48.9	-0.9	4,000	4,090	2.3	14.1
\$100,000 to \$119,999	55.3	54.7	-0.6	5,200	5,200	0.0	8.2
\$120,000 to \$139,999	60.1	60.2	0.1	8,100	7,850	-3.1	4.2
\$140,000 to \$159,999	62.0	63.3	1.3	11,000	10,750	-2.3	2.3
\$160,000 or more	62.4	64.5	2.1	18,910	19,980	5.7	5.3

Source(s): Income and Financial Data of Individuals, Preliminary T1 Family File (4106), table 11-10-0044-01.

Women's Registered Retirement Savings Plan contributions overall remain lower than men's

Female tax filers (20.1%) were less likely overall to make contributions to an RRSP in 2020 than male tax filers (24.6%).

Women's median RRSP contribution has historically been lower overall than that of men. In 2020, the median RRSP contribution was \$2,960 for women, while the median RRSP contribution was \$4,280 for men.

However, when considering RRSP behaviour at different levels of income, the picture is more nuanced, as women were more likely to contribute to an RRSP than their male counterparts for each level of income except at the highest of \$160,000 or more, and the median contributions of women and men were similar in most income groups. Women were more likely to be in the lower income groups (less than \$80,000) where the RRSP contribution rates and amounts are lower. This leads to a lower overall contribution rate and median contribution for women.

Note to readers

All dollar amounts in this release are expressed in current dollars and have not been adjusted for inflation except where stated otherwise.

Data in this release are based on a preliminary version of the T1 Family File (tax filer data).

The extension by the Canada Revenue Agency of the deadlines for filing 2019 tax returns and for the payment of taxes without penalty impacted the completeness of the 2019 tax data used in this release. The number of tax filers appearing in the preliminary income tax data, generally speaking individuals who filed taxes before September, edged down by 0.8% in 2019 and increased by 2.5% in 2020 while the number of tax filers in the preliminary tax file increased on average by 1.3% yearly since 2009. The larger increase in 2020 was likely due to a number of later filings in 2019. Therefore, caution should be used with this data when interpreting moderate changes in counts of contributors and total contributions between 2019 and 2020. The decline in the number of contributors could be understated by approximately 1.2 percentage point.

Registered retirement savings plans (RRSPs) allow individuals or their spouses to make tax-deductible contributions to individual savings and investment accounts. To be eligible to contribute to an RRSP, a tax filer must have unused room from earlier years, or new room as a result of qualifying income from the previous year (generally employment income).

The RRSP limit is based on 18% of the earned income of the previous tax year up to a fixed maximum, less any pension adjustments, plus any unused room carried forward. The fixed maximum RRSP contribution in 2020 was \$27,230 up from \$26,500 in 2019. Income earned in the account accumulates tax-free, but withdrawals, which can take place at any time, are taxed.

Contributions can be made, and unused contribution room can be carried forward, until age 71. At that point, the RRSP is closed and an individual chooses either to pay taxes on the full value of the RRSP holdings or to convert the holdings into a registered retirement income fund. This type of savings account allows individuals to defer part of their income over time, subject to minimum withdrawal limits.

The median is the value in the middle of a group of values (i.e., half of people make contributions above this value and half of people make contributions below this value).

All data in this release have been tabulated according to the 2016 Standard Geographical Classification used for the 2016 Census.

A census metropolitan area is formed by one or more adjacent municipalities centred on a population centre (also known as the core). It must have a total population of at least 100,000, of which 50,000 or more live in the core.

Available tables: [table 11-10-0044-01](#).

Definitions, data sources and methods: [survey number 4106](#).

The document "Technical Reference Guide for the Preliminary Estimates from the T1 Family File (T1FF) ([11260001](#)) presents information about the methodology, concepts and quality for the data available in this release.

The [Income, pensions, spending and wealth portal](#), which is accessible from the *Subjects* module of the Statistics Canada website, provides users with a single point of access to a wide variety of information related to income, pensions, spending and wealth.

The data on RRSP contributors ([17C0006](#), various prices) are now available for Canada, the provinces and territories, economic regions, census divisions, census metropolitan areas, census agglomerations, census tracts, and postal-based geographies. These custom services are available upon request. A table associated with this release is available for free on the Statistics Canada website for Canada, provinces and territories, census metropolitan areas, and census agglomerations.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relation (statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca).