

Research Project # 1: Mapping Coverage and Funding of Occupational Pension Plans

Research Paper: Occupational Pension Plan Coverage in Ontario

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Executive Summary

This report presents statistical evidence, from several sources, of occupational pension plan coverage in Ontario for the period 1977 to 2006. The report examines the incidence of occupational pension plan coverage by sector and gender, the type of coverage provided, the type of plan providing coverage, and characteristics of jobs and members covered by an occupational pension plan.

The main findings of the report are:

- The number of members of occupational pension plans has slightly increased.
- The proportion of male members has decreased, and the proportion of female members increased.
- Overall coverage as a percent of the paid labour force in Ontario is about 35%, and has declined steadily over the period.
- The coverage in the public sector paid labour force has fluctuated around 80% of paid workers.
- The coverage in the private sector paid labour force has declined to about 25% of paid workers.
- About 80% of members of occupational pension plans are members of a defined benefit plan, about 20% of members are members of a defined contribution or hybrid plan.
- About 55% of membership is in a single-employer pension plan, and 45% of membership is in a multi-employer pension plan.
- Jobs that have occupational pension coverage tend to be in larger workplaces and unionized workplaces.
- Persons with occupational pension coverage tend to be older, have higher incomes and have higher levels of education.
- Younger workers, low-income workers, visible minorities, persons with disabilities and newcomers to Canada are less likely to have occupational pension plans coverage.
- Where persons are covered by an occupational pension plan, it is likely to be the second largest asset in retirement, after home equity.