

# Report finds public equities rally boosting CAP outcomes in Q3 2025

By: Staff | November 6, 2025 | 15:00



Staff

A continued rally in equity markets in the third quarter of 2025 strengthened retirement income outcomes for capital accumulation plan members, according to a new report by Eckler Ltd.

Optimism around trade negotiations, a U.S. Federal Reserve rate cut and steady enthusiasm for artificial intelligence supported markets through the period. As a result, the consultancy's latest CAP income tracker found a typical male CAP member retiring at the end of September 2025 achieved a gross income replacement ratio of 67.4 per cent, up from 65.9 per cent in June. A typical female member achieved 65.7 per cent, up from 64.2 per cent.

**Read: Report finds public equities rebound boosting CAP outcomes in Q2 2025**

The tracker assumes members contribute 10 per cent annually starting at age 40, receive the maximum Old Age Security and Canada Pension Plan/Quebec Pension Plan benefits and use their CAP balance at retirement to purchase an annuity.

However, these assumptions don't apply to all members, said the report. "For many newcomers to Canada, retirement saving competes with immediate financial pressures such as housing costs, supporting family or education expenses."

As of late September, almost 30 per cent of Canada's workforce has been in the country for less than 25 years, resulting in fewer years contributing to workplace and government pension programs.

Canada's income tax and retirement systems can also be difficult to navigate, it said, noting some workers may not realize government pensions alone may not meet retirement goals or may be unsure how to coordinate savings across multiple plans.

**Read: CAP members' 2024 outcomes highest since start of pandemic: report**

The report highlighted several strategies that can help members strengthen their retirement outlook. Employer-sponsored programs such as defined contribution pension plans and group registered retirement savings plans can also support improved outcomes, particularly when matching contributions are available, even for employees who join later in their careers.

It also noted access to clear and culturally relevant financial education, planning tools and guidance can help employees understand how different savings vehicles

and government benefits work together and support more confident long-term decision-making.

---