

Presentation for the employees Carleton University

RRSPs and TFSAs – information to know and help you on your journey to retirement

Policy 60910

Facts, tax and impacts



Plan member: responsibilities

- **Responsible** to make investment decisions and decisions that affect the amount of money accumulated in the plan.
 - ⓘ Note: It's recommended that you obtain investment advice from an appropriately qualified individual.
- **Responsible** to inform yourself about the plan using the documents, information and tools available to you.



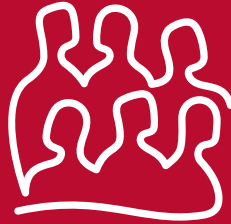
Today's agenda

- Sources of income at retirement
- Your group RRSP and its benefits as well as general facts about RRSPs & TFSAs
- Your investment choices
- Tools and services

Review sources of income



Government
retirement benefits



Employer-sponsored
retirement plan



Personal savings

Government benefits - 2025

2025 monthly maximum benefit at age 65*

Old age security	Maximum: \$727.67
Canada pension plan/ Québec pension plan	Maximum: \$1,433.00 (Average: \$808.14)**
Potential monthly total (65)	\$2,160.67

Maximum for Jan – Mar 2025

**Average as at Jan 2025

5 Source: <https://www.canada.ca/en/employment-social-development/programs/pensions/pension/statistics/2025-quarterly-january-march.html#tbl-001>

Your retirement savings program





Group registered retirement savings plan

RRSP



Contributions reduce your taxable income



Withdrawals are treated as taxable income



You're responsible for monitoring
your contribution room.



May be used for Home Buyers'
and Lifelong Learning plans.

Types of RRSP accounts



Individual



Group



Spousal



Contribution rules

1

Your age – You can contribute until Dec. 31 of the year you turn 71 years old.

2

The amount – You can contribute what you have available in your deduction limit provided by the CRA. Refer to your last Notice of Assessment

March 3, 2025 is the RRSP deadline for contributions that can be applied for the 2024 tax year.

RRSP – Know your limits

Contribution limits

<p>The lesser of the two following items:</p> <p>18% of previous year's income</p> <p>or</p> <p>the annual RRSP Limit (\$32,490 in 2025)</p>	<p>Unused room carries forward</p>	<p>Must have filed Canadian taxes in previous year to contribute to an RRSP</p>
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Your group retirement and savings program

RRSP eligibility

- Employees may join the RRSP immediately.

RRSP contributions

- Employees may make additional payroll contributions up to their CRA RRSP contribution limit.
- Spousal RRSPs are offered.

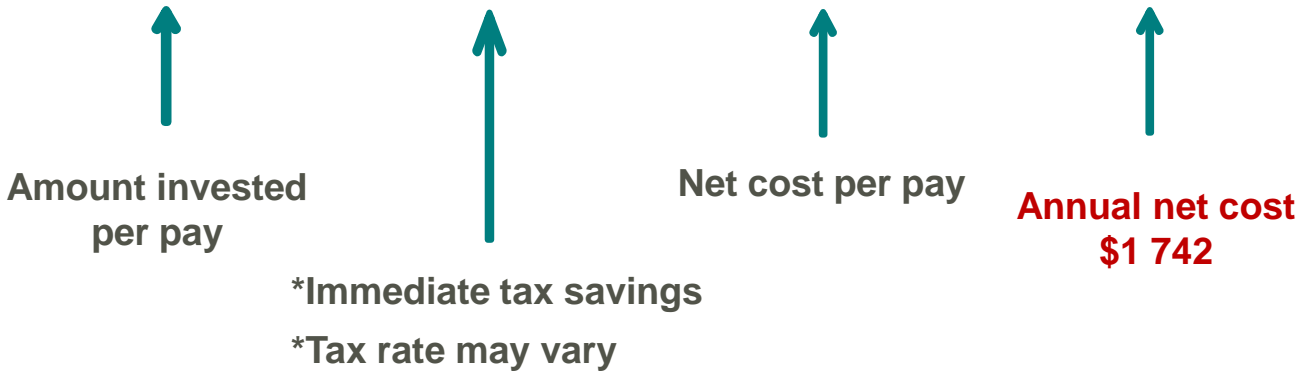
Withdrawals

- Withdrawal of voluntary contributions is allowed at any time. Taxes and fees may apply.
- Exceptions on withholding tax : Home Buyers' Plan (HBP) and Lifelong Learning Plan (LLP).

It's cheaper than you think!

Annual income \$50 000
As per a 5% payroll contribution with bi-weekly pay
(For illustration purposes only)

Payroll contribution	Immediate tax savings* (30%)	Net cost per pay	Your personal RRSP annual contribution (5%)
\$96	\$29	\$67	\$2 500



Your group advantage – comparing fees

Asset category	Your average group investment management fee and operating expense (IMFOE)* (%)	Sample retail average management expense ratio (MER)** (%)	Your group Advantage (%)
Asset allocation	1.74	2.14	0.40
Fixed income	1.66	1.73	0.07
Balanced	1.75	2.27	0.52
Canadian equity	1.75	2.26	0.51
Global equity	2.16	2.34	0.18
International equity	1.75	2.38	0.63

* Examples of the IMFOEs from your plan (Jan. 2025)

** Morningstar Research, February 2024. The mid-range of MERs are selected from the advisor series.

Where to find your RRSP contribution limit



CRA Notice of Assessment

Mailed to you after filing taxes for the previous year



canada.ca

- My Account
- MyCRA



CRA tax information phone service (TIPS) line

1-800-267-6999



TFSA

Tax-free
savings
account



Good for saving of any type



Investments can grow tax-free



No taxes owed on amounts withdrawn



Contribution room carries forward

TFSA - Know your limits

Contribution limits

Contribution limit is a flat dollar amount each year not based on earned income

Unused room carries forward

Previous years' withdrawals will be added to current years contribution limit

How much am I allowed to save in a TFSA?

Years	TFSA Contribution limit	Total
2009 – 2012	\$5,000 per year	\$20,000
2013 – 2014	\$5,500 per year	\$11,000
2015	\$10,000 per year	\$10,000
2016 – 2018	\$5,500 per year	\$16,500
2019 – 2022	\$6,000 per year	\$24,000
2023	\$6,500 per year	\$6,500
2024-2025	\$7,000 per year	\$14,000
		\$102,000

Where to find your TFSA contribution limit



Contact **CRA** and request a TFSA room statement



canada.ca

- My Account
- MyCRA



**CRA tax information
phone service (TIPS) line**

1-800-267-6999



Tax





Tax advantages of a group RRSP

- Immediate tax savings with payroll contributions
- Contributions reduce taxable income
- Investment growth is tax-deferred

Immediate tax savings with your group RRSP

	No contributions	Contributing 5% per pay
Gross bi-weekly pay	\$1,923	\$1,923
Contribution	\$0	\$96
Taxable pay	\$1,923	\$1,827
Tax (30%)	(\$577)	(\$548)
Net pay	\$1,346	\$1,279



It costs \$67
to contribute \$96!

Does tax-deferred mean tax-free?

Example	Will your income be higher or lower when you withdraw?	
Taxable Income	\$80,000	\$45,000
Withdrawal	\$20,000	\$20,000
Marginal tax rate	29.65%	20.05%
Tax owing on withdrawal	\$5,930	\$4,010



Tax advantages of a TFSA

- Growth isn't taxed at the time of withdrawal
- Withdrawn amounts are added back to your contribution room in the following tax year

What is Gabrielle's TFSA contribution room for 2025?

Gabrielle's TFSA contribution room as of Jan. 1, 2025

Unused TFSA contribution room at the
end of 2024 (\$18,000)

 total withdrawal made in 2024 (\$0)

 2025 TFSA dollar limit (\$7,000)

 Total contribution room at the
beginning of 2025 (\$25,000)

Year-end tax filing



RRSP

- Download your Canada Life contribution receipts from your online account
- March – December contributions
- January – February contributions
- Enter the total contributions to reduce your taxable income



TFSA

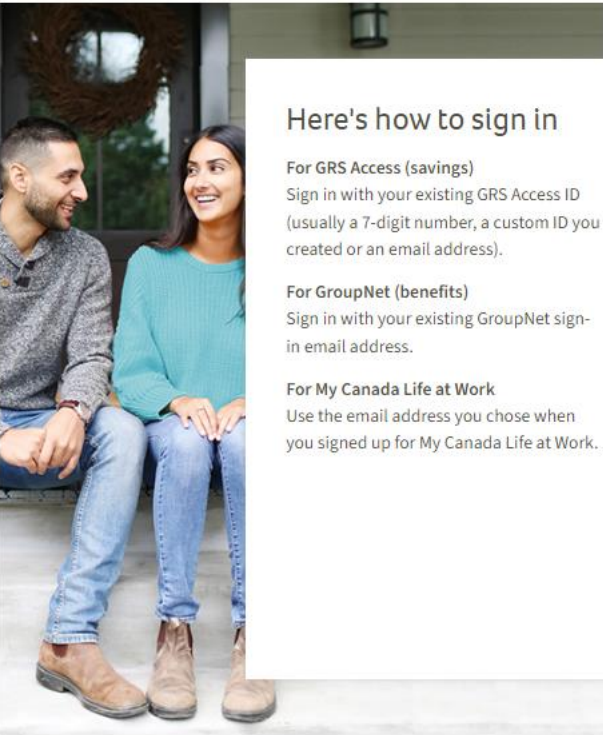
- Canada Life will **NOT** send you contribution receipts
- Contribution amounts are reported to CRA

IMPORTANT

Tax receipts will be available in your My Canada Life at Work™ member account.

Where to access your tax receipts

canada **life**™ FR



Here's how to sign in

For GRS Access (savings)
Sign in with your existing GRS Access ID (usually a 7-digit number, a custom ID you created or an email address).

For GroupNet (benefits)
Sign in with your existing GroupNet sign-in email address.

For My Canada Life at Work
Use the email address you chose when you signed up for My Canada Life at Work.

Sign in

[Sign-in help](#)

GRS Access ID (savings)/Email address (benefits)



Password

☐ Remember me

[Sign in](#)

[Register](#)


[Forgot Password](#) or [Access ID/email address?](#)

canada **life**™ FR  


Overview
Make a claim
Benefits
Contributions
Savings
Plans info
Statements and reports
Manage portfolio
Info centre
Resources
Options for you

Statements and reports


Find important information regarding your portfolio here.




Statements
Review portfolio statements from up to 2 years ago.



Tax receipts
Download and review your previous tax receipts.



Activity reports
Download and review activity reports by plan and date range.



Book value
View gains and losses associated with your investments.



Visit [My Canada Life at Work](#)



Impacts

How much will your savings be worth?

Contributions calculator

See how the size of the contributions to your group plan can affect your retirement income with this calculator.

Share on

How old are you?

35

At what age do you want to retire?

65

How are you contributing to retirement today?

☒ A percentage of your annual income

☐ A dollar amount

What's your annual income before taxes?

\$

40,000

What percentage of your annual income are you contributing?

6

%

Pre-retirement rate of return

5

%

Calculate

Here are your results

Based on your information, here's a breakdown of how much your contributions could be worth in the future.

Your contributions in 30 years could be:


\$224,217.00

You could get an annual income for 25 years after retirement of:

\$15,908.75

* We suggest you use a few different interest rate assumptions to help you understand how results might vary.

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Looks like you've got a shortfall

Estimates show you'll need to make some changes to reach your goal

Save more to reduce your shortfall

Consider increasing your monthly contributions

Change my info

Savings plans (monthly contributions):

\$80

Retirement Age:

65

Retirement goal (Monthly estimate):

\$1,600

Agree and then save

☐ I understand this tool is for planning only and no changes will be made to my plans.

Start over

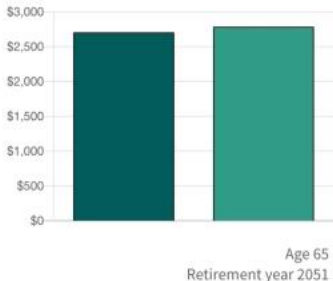
Save my goal

Retirement Plan Calculator

Monthly

Amounts are after taxes

Estimated expenses and income



Estimated monthly retirement income

\$2,706

Monthly retirement income goal

\$2,786

Based on 2% inflation

Monthly shortfall

-\$80

How did we arrive at these estimates? +


Will you have enough?

Want to make or change your contributions?

It's quick
and easy


Contributions

[View](#)[Add new](#)



Pre-authorized

Make easy one-time or recurring contributions directly from your bank account.








Online banking

Contribute through bill payments on your financial institution's website.

Add banking info

Select your financial institution

[Other](#)

Financial institution code

Transit number

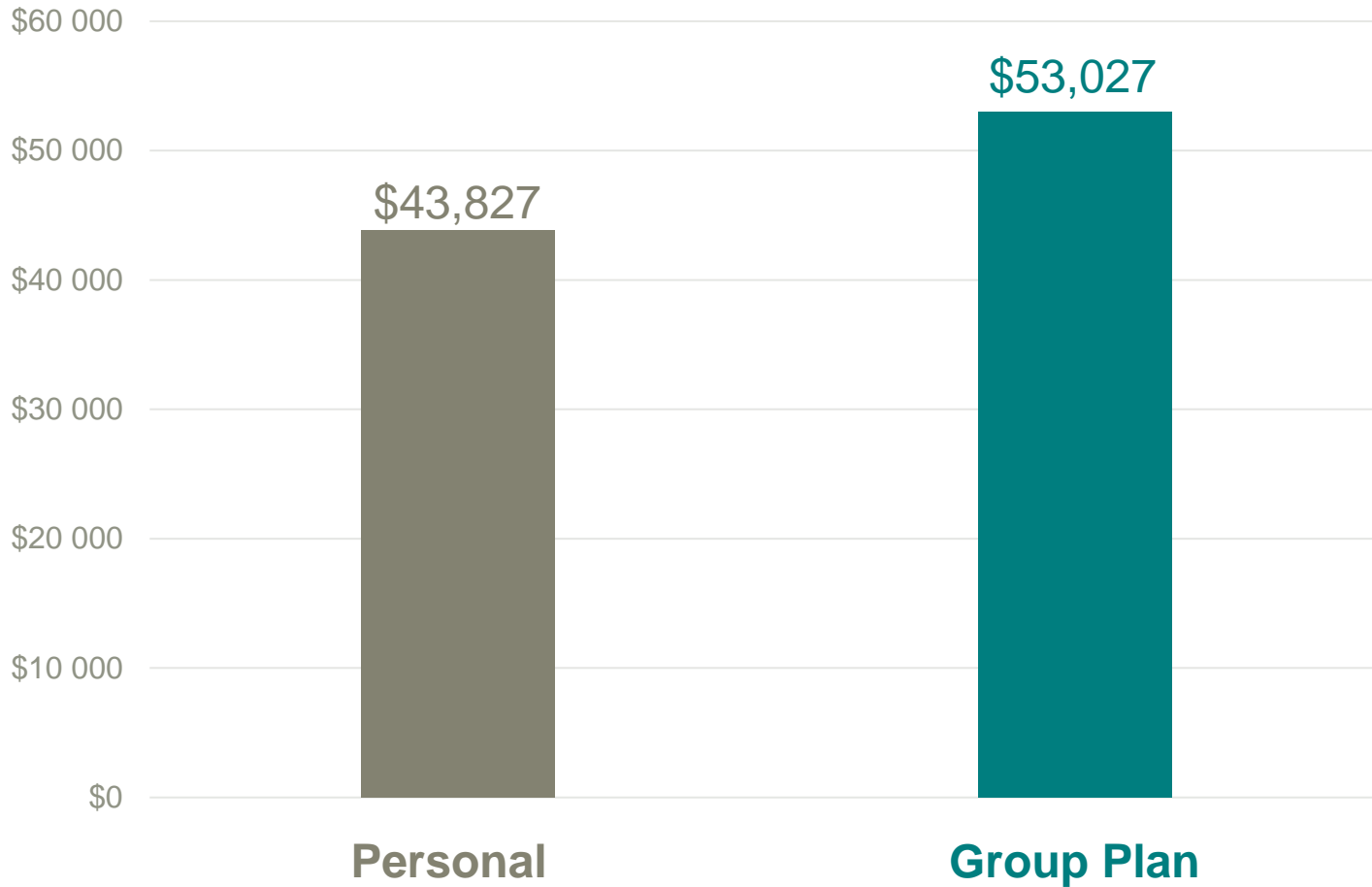
Account number

If your account number starts with one or more zeroes, include them.

[Need help with banking info?](#)

[Cancel](#)[Save](#)

Reduced investment management fees (IMFs)



Personal Investment
vs. **Group Plan**

\$20,000 After 20 years

- Fees cover investment manager's professional services
- Expressed as a percentage
- Deducted from the daily value of the fund
- Reduces your return

Assumes no further contributions for ease of calculation, interest on the initial investment compounded annually. Based on a 20-year investment at a group plan rate of return (which includes fees) of 5% and an individual savings plan rate of return (which includes fees) of 4%.



Withdrawals

Consequences of pre-retirement RRSP withdrawals



10-30% of withdrawn amount withheld by financial institution



Withdrawn amount must be added as income when filing taxes. Additional tax may be owed.



Loss of future gains on amount withdrawn and loss of contribution room.

Before you make a withdrawal from your retirement savings

Financial well-being

My Canada Life at Work	+
Budgeting	+
Budgeting tips	+
Net worth	+
Credit reports	+
Credit scores	+
Credit alternatives	+
Debt management	+
Debt management solutions	+
Simply speaking newsletter	+
Additional resources	+



Visit canlife.co/wellbeing

Impact of withdrawal tool

How old are you?

At what age do you want to retire?

What is your current total retirement savings?

What is your annual rate of return?

How much are you looking to withdraw now?

Calculate

Here are your results

Based on your information, here's a breakdown of the effect of your early withdrawal.

If you withdraw
\$10,000

Your loss by age 65 would be:
\$33,864

*Calculations do not take into account taxes payable (if any) on growth of investments, nor potential tax deduction (if any) on interest paid.



Visit smartpath



Helpful resources

- RRSP savings calculator
- CRA
- canada.ca

canadalife.com/saving-for-life-webinars

Saving for Life Webinars

Saving for Life webinars are designed to help you unlock the power of your group savings plan and reach your savings goals.

- Monthly webinars (click on the title above)
- Register and attend

RRSPs & TFSAs – Facts, tax and impacts

Feb. 11, 2025 at 3:00 p.m. ET

Registered retirement savings plans (RRSPs) and tax-free savings accounts (TFSAs) can be powerful tools in building your long-term savings. With the RRSP contribution deadline coming up on March 3, it's a great time to learn more about your options.

[Learn more >](#)

Welcome to Canada – The Canadian retirement system

Feb. 20, 2025 at 6:00 p.m. ET

Are you new to Canada? This webinar helps new Canadians learn more about the financial aspects of retiring in Canada.

[Learn more >](#)

Retirement – Saving for your future

Mar. 5, 2025 at 12:00 p.m. ET

Learn about saving for retirement. Whether you're not sure where to start or want to make sure you're on track, this webinar is for you.

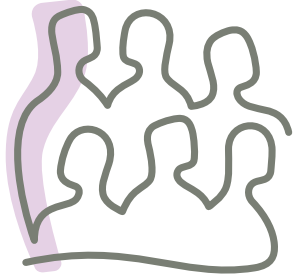
[Learn more >](#)



Your investment options

Which strategy suits you the best?

What type of investor are you?



Hands-off approach where you allow the experts to handle your investments

- Portfolio Target Risk Funds



Hands-on approach where you actively manage your investments

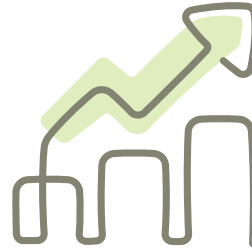
- À la carte funds

Why choose a target risk fund



Easy to choose

Select one fund



Managed to minimize risks

Made up of different types of investments to help minimize ups and downs of the market

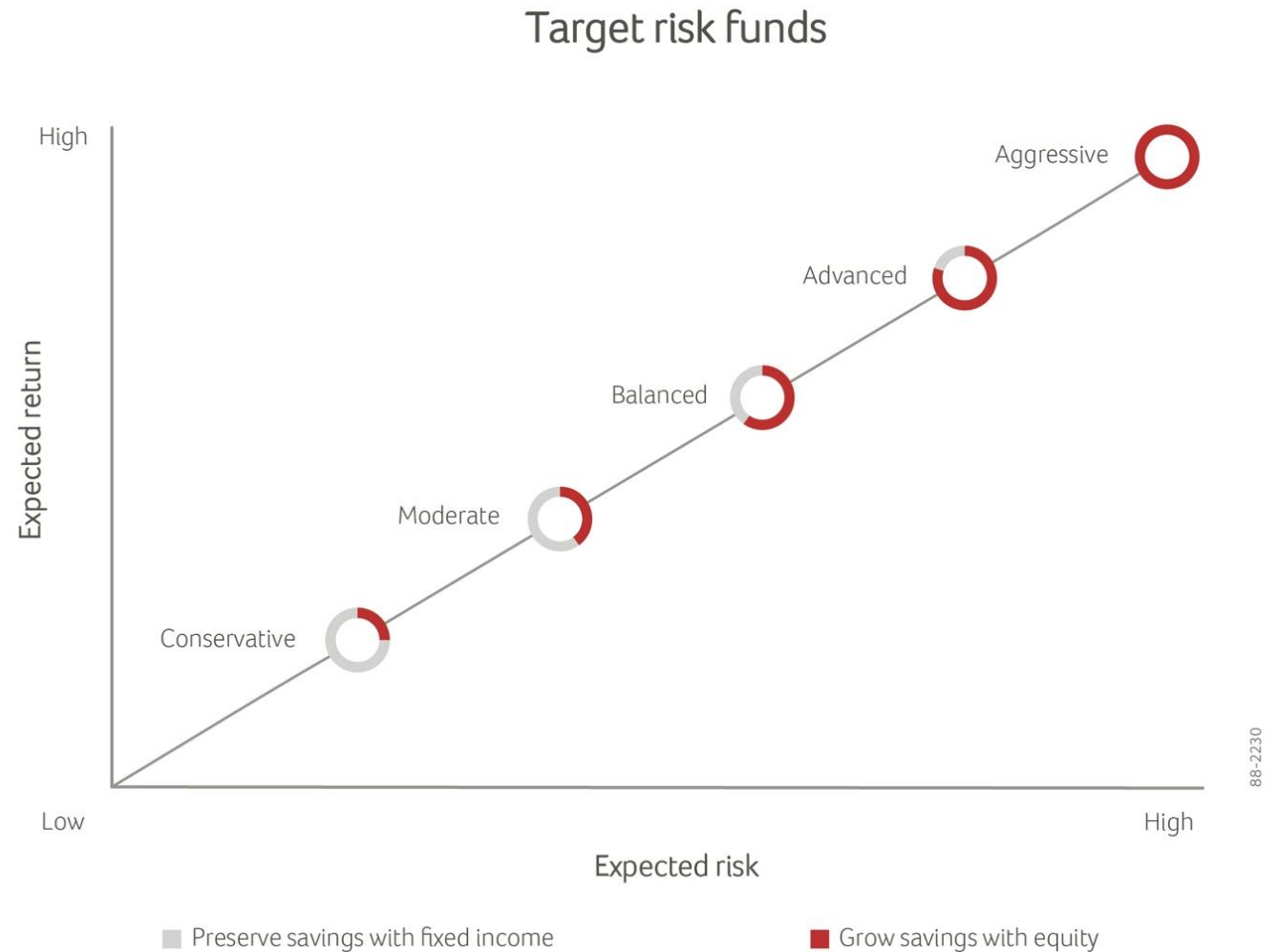


Hands off

Professionals manage and adjust investments in the fund for you

How a target risk fund works


There are five target risk funds made up of a mix of investments based on investors' comfort with risk. From conservative to aggressive, there's a fund for everyone.



For illustration purposes only, the chart illustrates the approximate percentages of holdings. The actual asset percentages will vary.

Know your risk profile – Complete the IPQ

Group wealth | Investments



Investment personality questionnaire

Want to find out how comfortable with risk you are?
Let's take a look.

canada life

Section two Personal information

3. Which of the following ranges includes your age?

	POINTS
a. Under 30	15
b. 30 to 39	15
c. 40 to 49	15
d. 50 to 59	10
e. 60 to 69	5
f. 70 to 79	3
g. Over 79	2

4. Which of the following ranges best represents your current annual family income (including pensions) before taxes?

	POINTS
a. Under \$30,000	4
b. \$30,000 to \$60,000	6
c. \$60,001 to \$90,000	8
d. \$90,001 to \$120,000	10
e. More than \$120,000	10

5. After deducting any loan or mortgage balances, which one of the following ranges best represents your immediate family's overall net worth?

	POINTS
a. Under \$30,000	2
b. \$30,000 to \$50,000	4
c. \$50,001 to \$100,000	6
d. \$100,001 to \$200,000	8
e. \$200,001 to \$300,000	10
f. More than \$300,000	10

Total points for section two

Section three Investment horizons

Investors often have distinct phases in their investment plans. The initial phase is savings and growth. During this time an investor builds up a portfolio toward a future goal. The second phase is typically the use of funds, either for a specific purchase or for income.

6. When do you anticipate using these funds?

	POINTS
a. Immediately*	0
b. One to three years*	0
c. Four to five years	5
d. Six to 10 years	10
e. 11 to 15 years	15
f. 16 to 20 years	20
g. More than 20 years	20

7. At the time you need this money, when will you withdraw it?

	POINTS
a. All at once, in one lump sum*	3
b. Over a period of less than two years*	3
c. Over a period of two to five years	5
d. Over a period of six to nine years	8
e. Over a period of 10 to 15 years	10
f. Over a period of more than 15 years	15

* If your response to question six is either (a) or (b), and your answer to question seven is also (a) or (b), your needs are short term. Consider using money market funds or short-term guaranteed interest investments to meet your savings goals.

8. What are your intentions regarding withdrawals and/or contributions to your investments today and over the next five years?

	POINTS
a. I plan to withdraw money at regular intervals and do not plan on making contributions.	5
b. I will likely make a lump-sum withdrawal and do not plan on making contributions.	7
c. I will likely be making both contributions and withdrawals.	8
d. I will likely make additional contributions and will not be withdrawing any funds.	10
e. I will certainly make regular contributions and will not be withdrawing any funds.	15

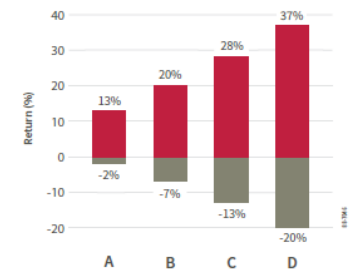
Total points for section three

Section five Portfolio volatility

Investment portfolios aimed at providing higher returns tend to have greater swings in value (providing both gains and losses). The more aggressive your portfolio, the more pronounced these swings become, and the more often short-term losses can occur.

13. A portfolio is a basket of different investments. The returns earned by a specific portfolio depend on the mix of investments that make up the portfolio. The following graph shows the probable range of returns (from best to worst) of four hypothetical portfolios over a one-year period. In which of these portfolios would you prefer to invest?

	POINTS
a. Portfolio A	5
b. Portfolio B	10
c. Portfolio C	20
d. Portfolio D	30



14. Some investors are more willing than others to accept periodic declines in the value of the portfolio as a trade-off for potentially higher long-term returns. Which response best represents your feelings toward the following statement?

I am willing to experience potentially large and frequent declines in the value of my investment if it will increase the likelihood of achieving higher long-term returns.

	POINTS
a. Strongly agree	20
b. Agree	15
c. Disagree	10
d. Strongly disagree	5

Total points for section five

Add up the section points to get your final total.

	Total points for section one
+	Total points for section two
+	Total points for section three
+	Total points for section four
+	Total points for section five
	= Final total

Match your final total to an investment personality below.

If your final total is between...	Your investment personality is...
105 or less	Conservative
106 to 135	Moderate
136 to 164	Balanced
165 to 199	Advanced
200 or more	Aggressive

Your investment personality is:

Name

Date

Select a fund to match what type of investor you are

If your score is between	You are a	The corresponding fund is
105 or less	Conservative investor	Conservative Fund
106 to 135	Moderate investor	Moderate Fund
136 to 164	Balanced investor	Balanced Fund
165 to 199	Advanced investor	Advanced Fund
200 or more	Aggressive investor	Aggressive Fund

- Five funds are modelled after five investor types
- Match investment personality questionnaire score to a fund

Create your own portfolio

1

Know your investment personality

- Define your investment objectives
- Determine your risk tolerance and investment horizon

2

Understand your investment options

- Go to mycanadalifeatwork.com > > Info Centre > for savings > Fund reviews and fees

3

Make your selections and monitor

- Online – mycanadalifeatwork.com
- 1-800-724-3402



A man with a beard, wearing a maroon t-shirt and a silver watch, is looking down at a smartphone in his hands. He is outdoors, and the background is a blurred scene of people and trees at sunset, with warm golden light. A white rectangular box is overlaid on the left side of the image, containing the text "Tools and resources".

Tools and resources



Connect with a health and wealth consultant

They can help you:

- Register for your online account
- Understand the details of your plan(s)
- Plan for your goals, big and small
- Answer your group plan questions



Book your appointment today
canlife.co/FreedomExperience

Savings - Manage portfolio

canada life

Overview

Make a claim

Benefits +

Contributions

Savings -

Plans info

Statements and reports

Manage portfolio

Info centre +

Resources +

Options for you

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CANADA LIFE DEMO POLICY FOR TESTING

[Plan details](#)

FR

Manage portfolio

Investment settings

Customize your plans and funds.

Investment instructions

Choose how your contributions are divided between funds.

Maturing investments

Set what will happen to guaranteed investments when they mature.

Automatic investment rebalancing

Enable or disable scheduled portfolio rebalancing.

Actions

Move money or sign up for more plans.

Fund to fund transfer

Move money between funds.

Cash withdrawal

Withdraw cash from your funds.

Enrolment express

Sign up for additional plans.

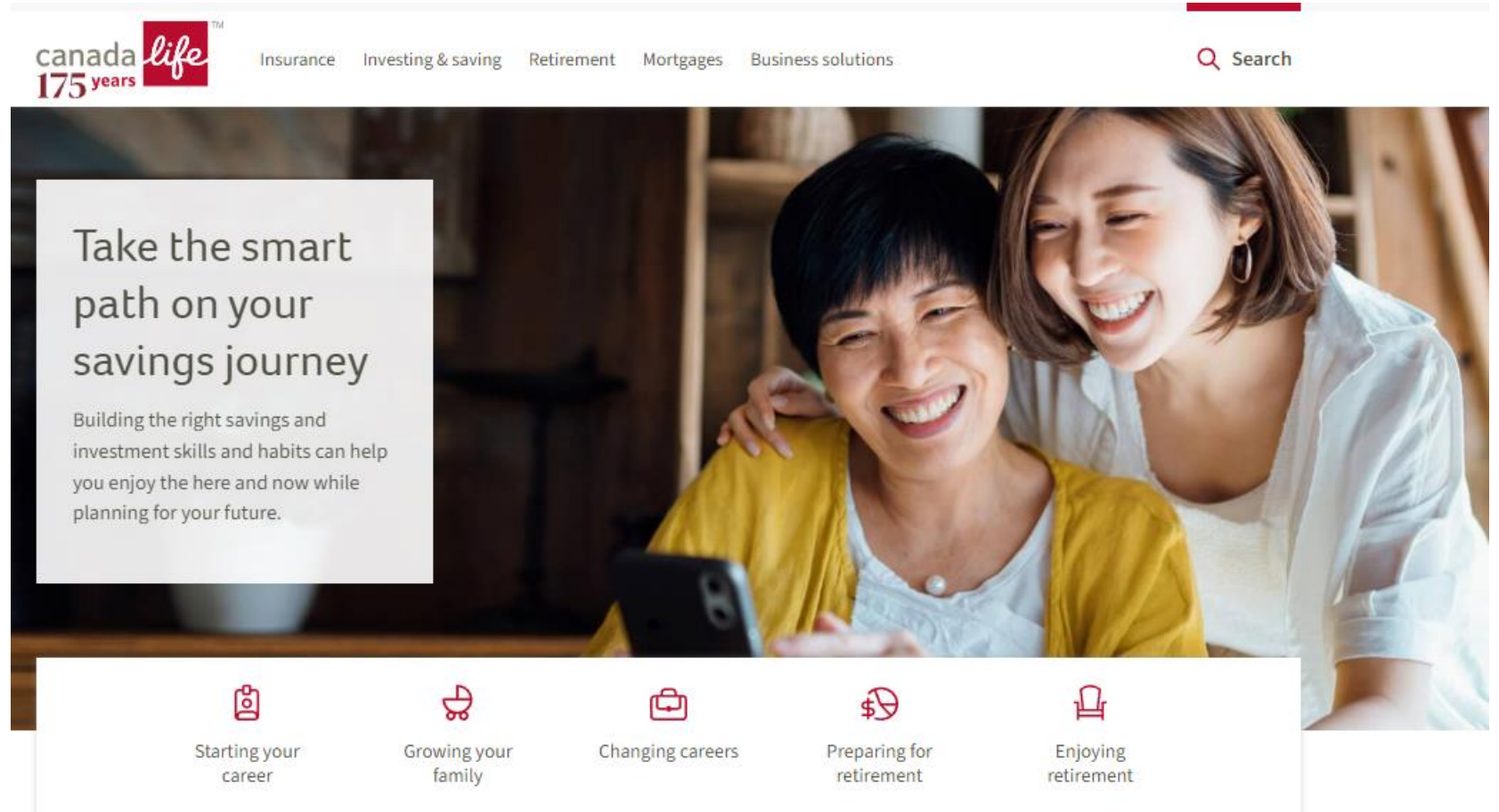
Upload files

Upload files related to your account.

Support for all stages:

No logging in needed:

- Share with friends and family



Tools and services offered at Canada Life

Contact Canada Life

8 a.m. to 8 p.m. ET
Monday-Friday

- Group Retirement
1-800-724-3402
- Tech Line
1-888-222-0775

Health and Wealth Consultant

- Sign in to your account online
- Plan your goals
- Understand your plan
- Answer your questions



canlife.co/FreedomExperience

Plan member site

Mycanadalifeatwork.com

Financial literacy site

canadalife.com/smartpath



THANK YOU

