



The Canadian Retirement System Challenges, Successes, Value For Money

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The Canadian Retirement System

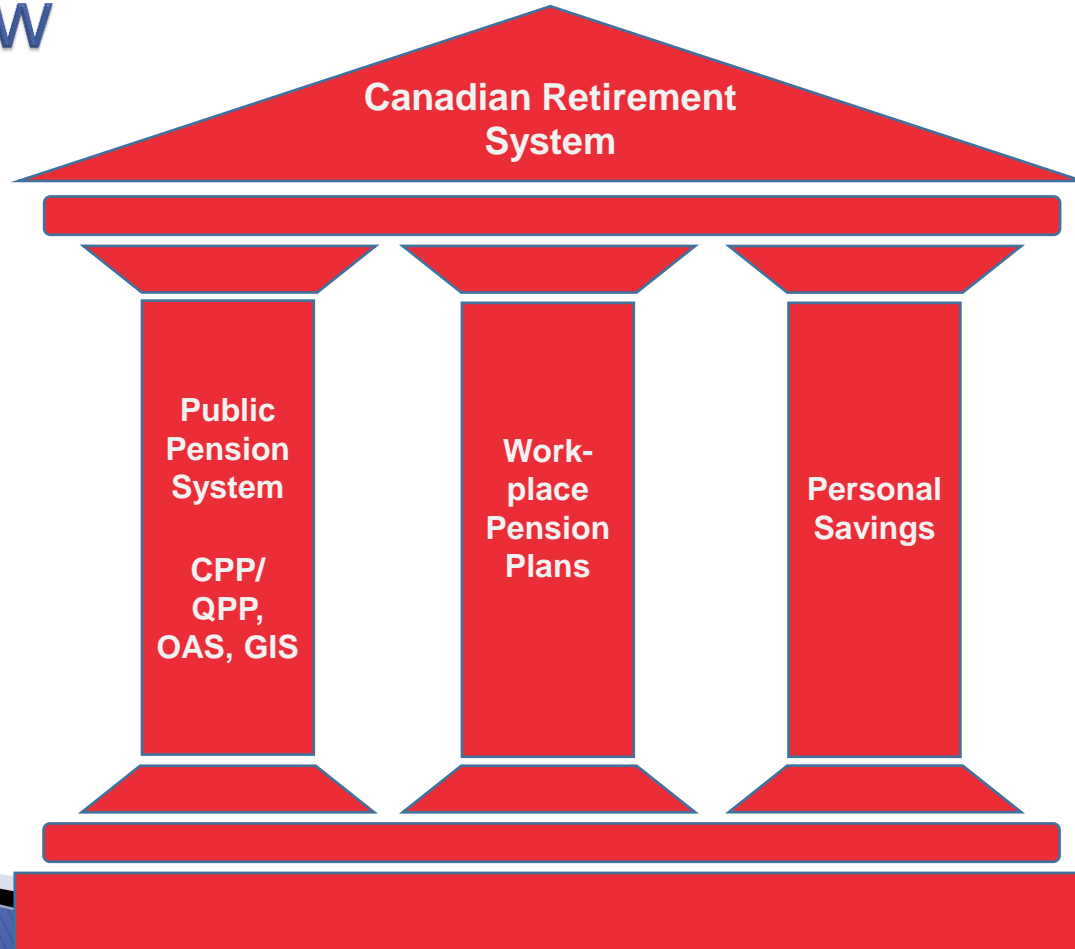
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Overview



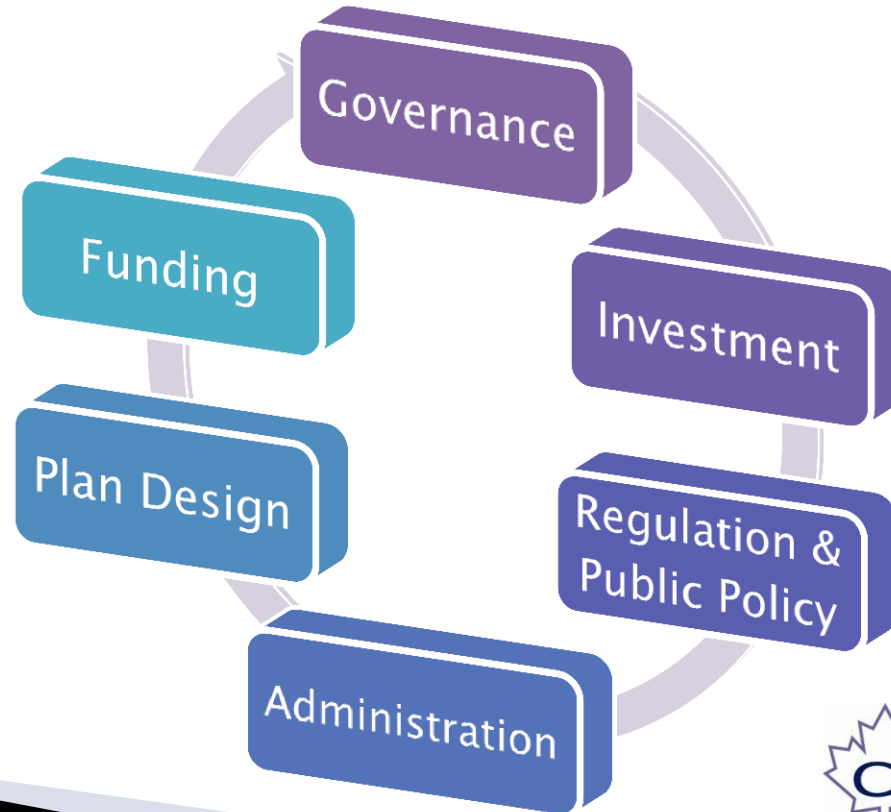
The Regulatory Framework

- Pension Benefits Act/Pension Benefits Standards Act
- The Income Tax Act



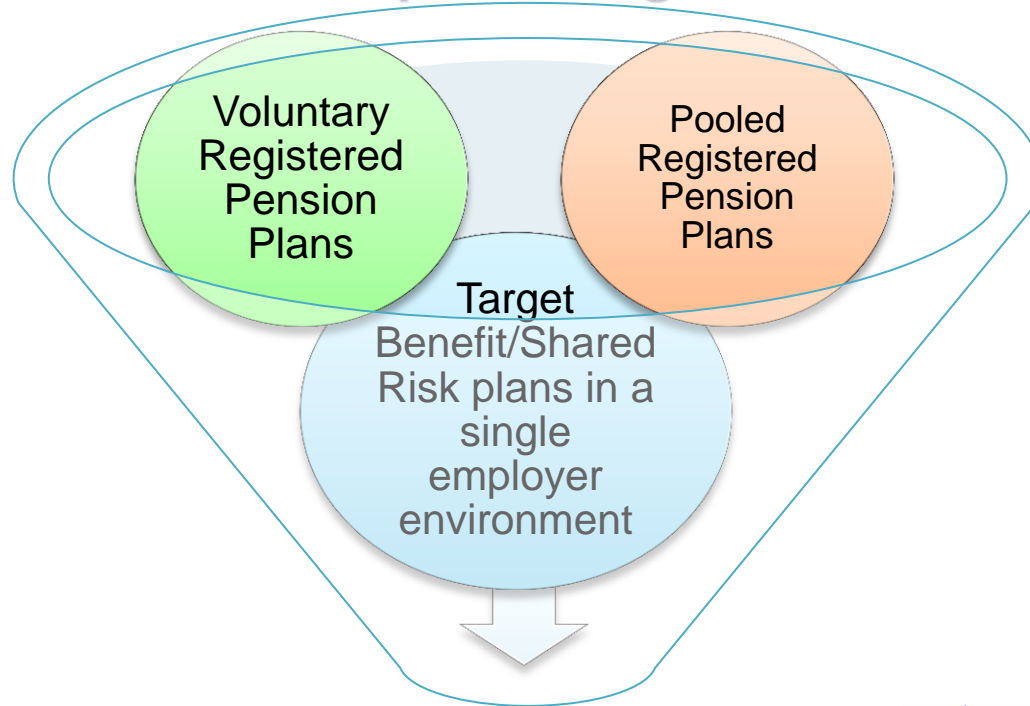
Today's Landscape

Sustaining Workplace Pension Plans



Today's Landscape

New plan designs



Economies of scale, joint governance, shared risks

Today's Landscape

Funding & Investments

Funding:

- ❖ Alternative funding methodologies
- ❖ Actuarial Standards

Investment:

- ❖ Liability driven investments
- ❖ Longevity risk solutions through buy-in annuities, buy-out annuities, longevity risk transfer products
- ❖ Target Date Funds



Today's Landscape

Maturing DC Plans

- ❖ By year 2022, some **\$2 trillion** in financial assets will be converted into retirement income⁽¹⁾
- ❖ There is a need to address cost-effective conversion of assets into income to deal with the danger of significantly lower retirement incomes⁽²⁾
- ❖ How can we better link accumulation phase to the decumulation phase



CAPSA Initiatives

❖ New plan designs:

- ✓ Multi Lateral Agreement on Pooled Registered Pension Plans (2017)

❖ Funding & Investments:

- ✓ Funding Review
- ✓ Actuarial Standards
- ✓ Longevity Risk

❖ Maturing DC Plans:

- ✓ Fee Disclosure & Information
- ✓ Retirement Tools & Options



Sources & Resources

- ❖ [CPP Enhancement](#)
- ❖ [2017 Melbourne Mercer Global Pension Index](#)
- ❖ [The Evolution of the Canadian Pension Model](#)
- ❖ [The Association of Canadian Pension Management](#)
- ❖ [FSCO Pension Forum on Decumulation](#)



Questions

