



Group RRSPs:  
Your retirement  
savings *at work*



Learn about the benefits of contributing to group RRSPs,  
how to contribute or change your contributions – and more.







## About RRSPs

A Registered Retirement Savings Plan (RRSP) is a savings account that's registered with the Canada Revenue Agency (CRA). It offers tax advantages that aren't available in non-registered accounts. Money in RRSPs can be allocated to a variety of investment options – and you can open more than one RRSP. There are also different types of RRSPs.



### Individual RRSPs:

These are opened by an individual at a retail institution, like a bank, credit union or online brokerage.

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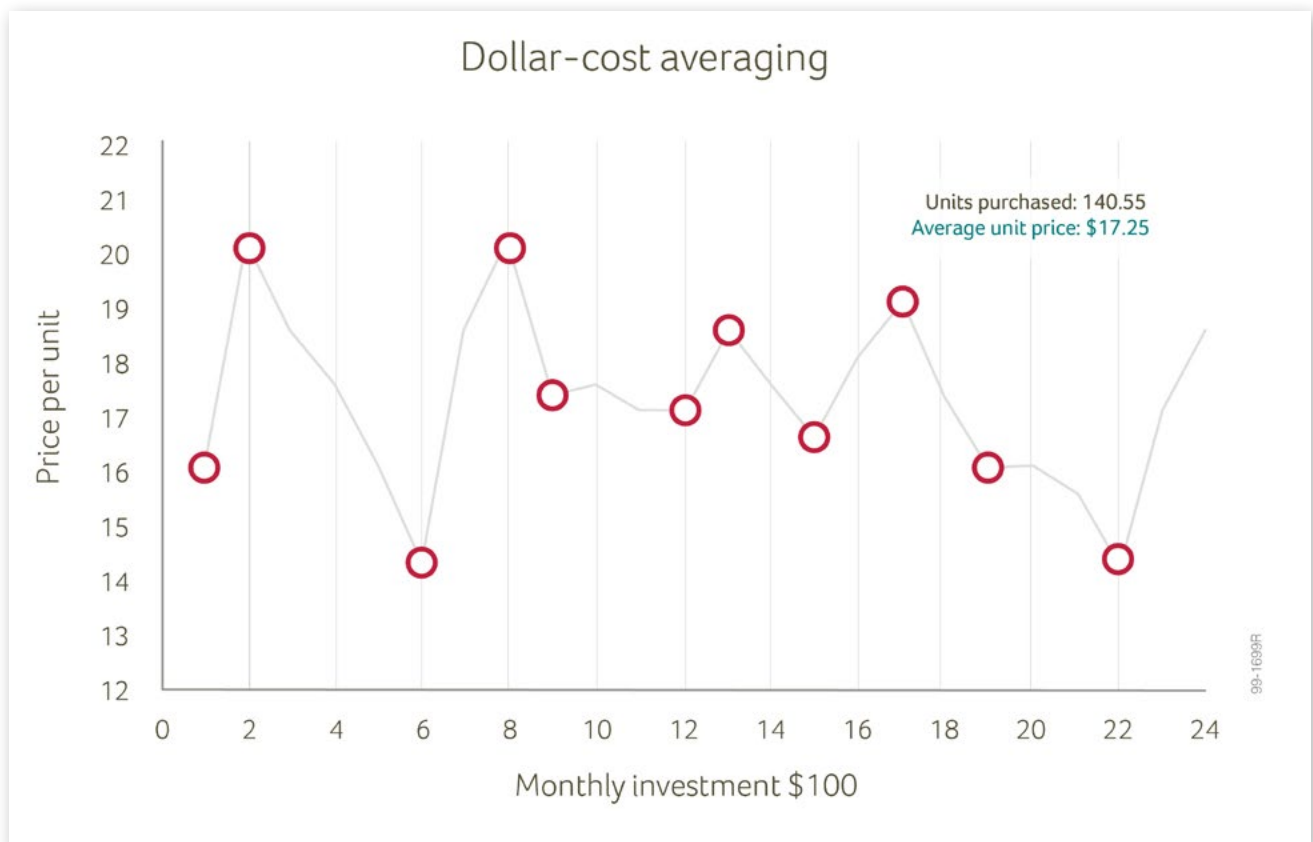
### Group RRSPs:

These are made available through your employer/sponsor. They're an important part of your overall compensation package and a valuable boost to your future retirement income. Your employer wants to help you save for your future – but it's up to you to take advantage of the opportunities that can help you maximize your savings.

Group RRSPs give you tax relief when your contributions are made through payroll deduction. This reduces your taxable pay and reduces the tax you pay each pay period. Investments within group RRSPs also grow tax-free until they're withdrawn. When you save in your group RRSP, you're benefitting from fees that are typically lower than retail.



By making regular, repeated contributions through automatic payroll deductions, you can benefit from something called dollar-cost averaging. Your contributions are used to purchase units of the investment funds selected. When the price of the fund is lower, you'll buy more units. When prices are high, you buy fewer. This takes the guesswork out of when to invest and when not to invest so you can avoid timing the market.



#### Spousal RRSPs:

These are registered in the name of your spouse or common-law partner. **You** make contributions based on **your** contribution limit and **you** receive the tax deductions. This type of RRSP is used to split income in retirement, which is taxable.

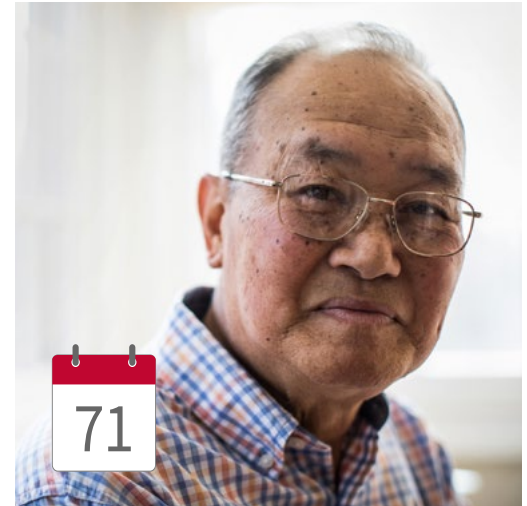


## Contributing to a group RRSP

There are a few important things to keep in mind when it comes to contributing to a group RRSP.

You have until Dec. 31 of the year you turn 71 to contribute to your RRSPs – if you still have RRSP contribution room available. You can also contribute to a spousal RRSP until Dec. 31 of the year your spouse turns 71.

There is a maximum amount you can contribute to an RRSP in a specific year. Your annual deduction limit is based on any unused contribution room from previous years plus the lesser of 18% of your previous year's earned income and the annual limit set by the CRA.



**The annual RRSP limit the CRA has set for 2021 is \$27,830. The limit the CRA has set for 2022 is \$29,210. These limits apply to all RRSP accounts combined.**

If your employer contributes to your group RRSP, their contribution counts towards your total contribution limit.

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### For more details about your RRSP contribution limit:

**Review your Notice of assessment** (or your notice of re-assessment), which the CRA mails to you after you file taxes for the previous year.

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Visit [canada.ca](https://canada.ca), where you can log in to My Service Canada Account or CRA My Account.

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Call the CRA's Tax Information Phone Service (TIPS) at **1-800-267-6999**.



Any contributions made during the first 60 days of the year can be used as deductions for the previous year. **The deadline to contribute for the 2021 tax year is March 1, 2022.**



# How to open a group RRSP or change your contribution amount

## Opening a group RRSP is easy

Ask your plan administrator how to enrol. Online enrolment may be an option if your plan allows.

## Want to increase your contributions? Here are some options for you:

### Payroll contributions

Ask your plan administrator for instructions on how to increase your payroll contributions. Each plan is different and may require a different process.

### Easy lump-sum contributions

Contribute a lump sum to your group RRSP at any time through the bill payment function of your online banking services. Just search for “Canada Life Group RRSP” as the payee and enter your policy number with your certificate number as the account number.

Your policy number and certificate number can be found on your Canada Life™ statement and online when you sign in to your group savings plan at [mycanadalifeatwork.com](https://mycanadalifeatwork.com) and click on your initials at the top of the screen.

de votre entreprise  
ABC COMPANY - DEMOE

**Key information**  
Policy/plan number  
61129  
Your certificate number  
122222222  
Your date of birth  
March 3, 1985  
Your date of employment  
October 2, 2018  
Date of normal retirement  
April 1, 2050  
Date of early retirement  
April 1, 2040  
Your Spouse's name  
Not on file  
Your beneficiaries  
JACK WILSON (100%) - RRSP  
Spouse - Common-law  
JAMIE WILSON - TFSA  
Daughter  
JOHN SMITH - RPP  
Brother

**Items for your attention**  
**From Canada Life Group Retirement Services**  
We offer several fast, convenient ways to get the information you want. Visit [grsaccess.com](https://grsaccess.com) or call us. Refer to the last page for more information on these services.

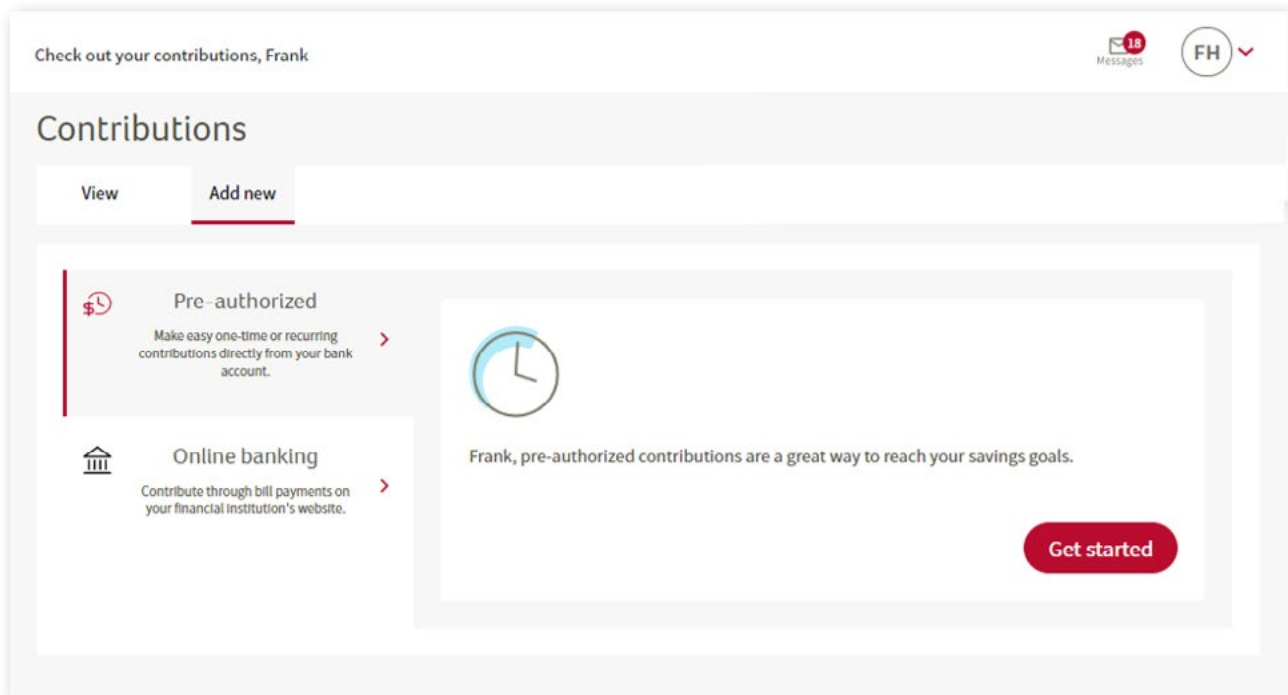
Messages

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**JORDAN SMITH**  
Access ID  
memberdemo  
Plan/policy number  
61129  
Certificate number  
122222222  
Profile  
Sign out

### Convenient pre-authorized contributions

You can set pre-authorized contributions to your group RRSP from your bank account. This is a great way to top up your savings. Sign in to your group savings plan at [mycanadalifeatwork.com](https://mycanadalifeatwork.com), click **Contributions**, choose **Add new** and follow the prompts. You can set your pre-authorized contribution frequency to one time, bi-weekly or monthly and you can stop your pre-authorized contributions at any time.



 If your plan offers matching contributions, payroll contributions are the best\* way to guarantee you earn a match!

### Estimate the tax refund you might get from your RRSP contributions

Use an [RRSP savings calculator](#) to see the tax savings your RRSP contribution generates.

\*Lump-sum and recurring contributions made through pre-authorized contributions or online banking may not be matched by your employer.





## The bonus of bonuses

### Consider saving the tax and contributing your bonus to your group RRSP

If you receive a bonus at work, taking that bonus as cash means you could lose a considerable portion of it to tax. But you've worked hard for your bonus – and hard work should pay off. If you direct your bonus into your group RRSP, you'll boost your savings because your bonus will grow with the rest of your contributions. More importantly, your bonus contribution isn't subject to tax when made through payroll deduction. Ask your employer about directing your bonus payout to your group RRSP.

Your bonus will be invested using the investment instructions you've provided for your contributions. If you haven't provided investment instructions, your bonus and any future contributions will be directed to your plan's default investment fund.

You can change or review your investments any time. Simply view your investment instructions when you sign in to your group savings plan on [mycanadalifeatwork.com](https://mycanadalifeatwork.com) or call Canada Life and speak with a representative.







## Withdrawals

RRSPs are intended for retirement income, but they can also offer some flexibility when used for specific reasons.

### The Home Buyer's Plan

This is a government program that allows funds to be withdrawn from an RRSP in order to buy or build a qualifying home if you and/or your spouse haven't occupied a home owned by either of you in the last four years. You can withdraw up to \$35,000 without any tax implications, but you must:

- Be a Canadian resident
- Intend to occupy the home
- Repay the amount withdrawn within 15 years

There are other important details and requirements to consider. Learn more at [canada.ca](https://canada.ca).



## The Lifelong Learning Plan

This is a government program that allows you and/or your spouse to withdraw funds from an RRSP without paying any tax if you're pursuing full-time training or education. Up to \$10,000 can be withdrawn in a calendar year – with a maximum withdrawal of \$20,000 each time you participate in the Lifelong Learning Plan. To avoid taxation, you must repay any amount you withdraw, within a certain timeframe.

 Call 1-800-959-8281 or visit [canada.ca](https://canada.ca) to learn more.

When you need money for any other reason, it's tempting to use your group RRSP as a source of cash. But taking money out of an RRSP involves risks and isn't as simple as a withdrawal from a bank account – plus **it'll cost you**.

### The consequences of withdrawals

- A portion of your withdrawal will be held back and sent to the CRA to go towards the income tax you owe on the withdrawal.
- You must declare the withdrawal as income when you file your tax return.
- Depending on your tax bracket, you may have to pay more money in taxes than your financial institution sent to the CRA on your behalf.
- You miss out on the opportunity of future gains – which means less money for you when you retire.

Watch a quick [video](#) to see how withdrawals impact your savings goals – and use the [impact of withdrawal tool](#) to calculate how much you could be losing if you withdraw.



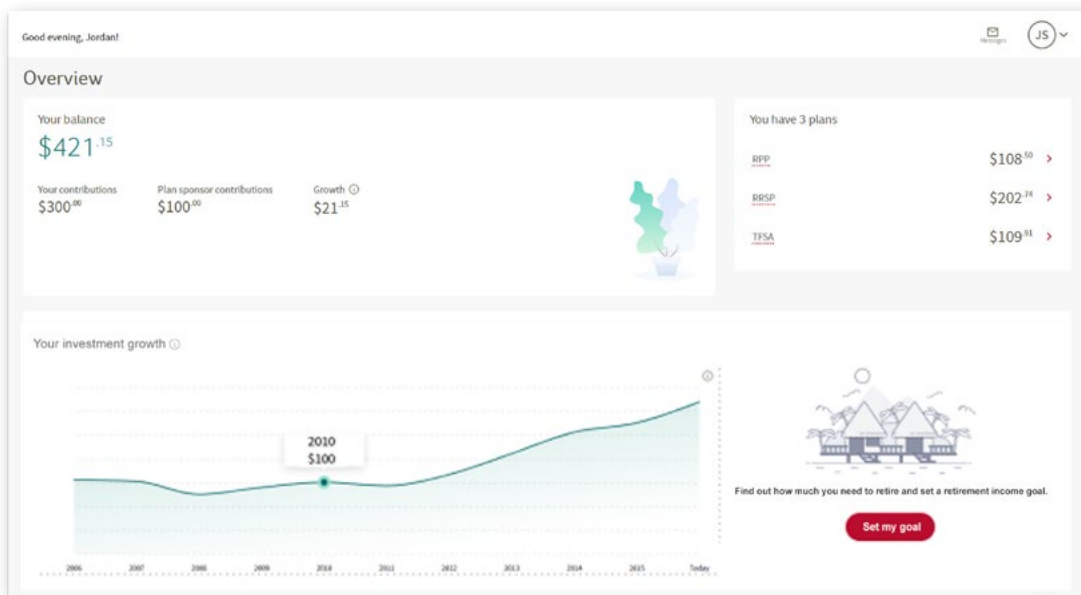


## Tools and resources that can help

### Set or update your retirement income goal

Sign into your group savings plan at [mycanadalifeatwork.com](https://mycanadalifeatwork.com) to set a retirement goal. In only a few minutes, you'll see if you're on track to reach your desired retirement income.

Just select **Set my goal**, follow the instructions and check back regularly to see if you're on track. You can check your overview and update your goal if your circumstances change.



### See how extra contributions can help boost your future savings

How old are you?  
40

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?  
\$ 65,000

What percentage of your annual income are you contributing?  
6 %

Pre-retirement rate of return  
6 %

**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 25 years could be **\$287,954.00**

You could get an annual income for 25 years after retirement of **\$20,431.04**

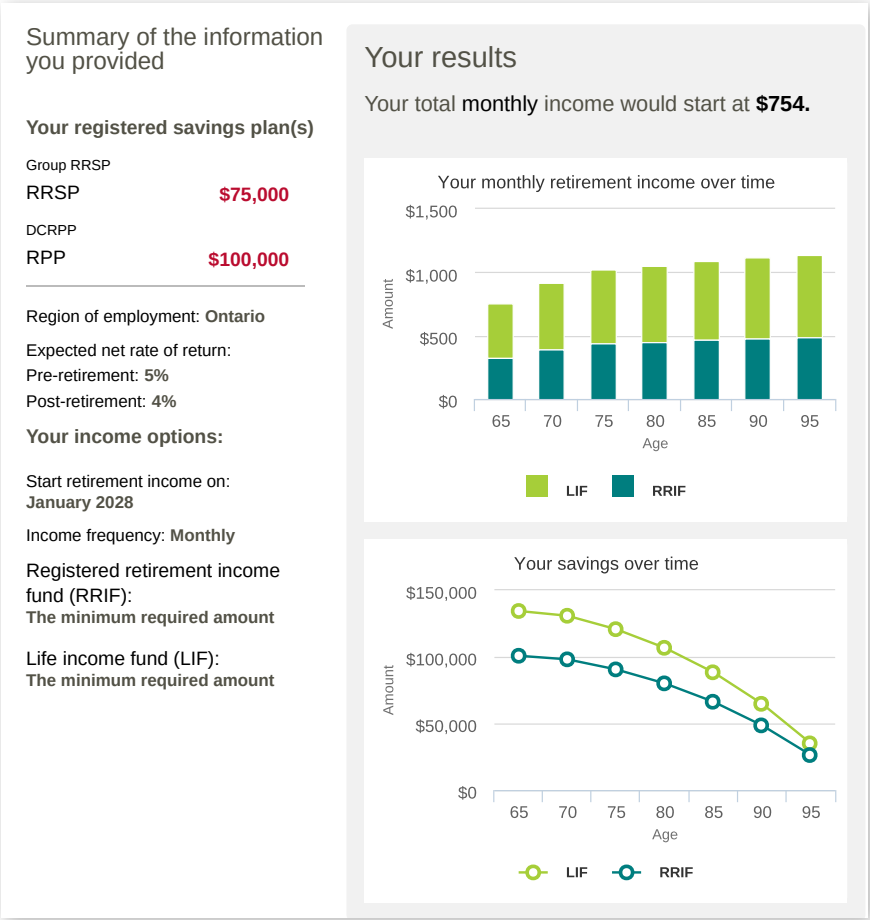
We suggest you use a few different interest rate assumptions to help you understand how results might vary.

Check out the [Contributions Calculator](#) on Smart Path to see how contributing even 1% more can increase your total retirement balance.



Find out how much retirement income your registered savings could generate

Use the [Income Wizard](#) on Smart Path to see helpful charts, graphs and reports that show your estimated income in retirement.





## A Canada Life member guide can help you get started towards your retirement and savings goals

You have goals for your financial well-being, but we know getting started isn't always easy. That's how our team of member guides can help. They're licensed professionals who are dedicated to delivering support just for you.



### A member guide can:

- Assess your needs and tolerance for investment risk
- Give you personalized insights to help you maximize your benefits
- Offer proactive solutions to help improve your financial circumstances
- Help you make informed decisions that support your financial well-being

**Book an online appointment** with your Canada Life member guide to take the first step towards your future.



Questions? We're here to help!

**[mycanadalifeatwork.com](https://mycanadalifeatwork.com)**

**1-800-724-3402**

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

**Tech line**

**1-888-222-0775**

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