



**SASKATCHEWAN  
PENSION PLAN**

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## **Saskatchewan Pension Plan contribution limit to rise**

Saskatchewan Minister of Finance, Donna Harpauer, and Saskatchewan Pension Plan (SPP) Board Chairperson, Timothy Calibaba, announced today an increase to the maximum contribution to the SPP. Effective immediately, participants in the Plan will be eligible to contribute up to \$6,000 per year, based on their available RRSP room.

"Providing tools for the people of Saskatchewan to save for their retirement is important to this government," said Minister Harpauer. "Plan participants requested this change and we are responding."

The Saskatchewan Pension Plan is a voluntary defined contribution pension plan established by the Government of Saskatchewan. It offers an alternative for small businesses that do not offer their own pension plans, provides cost-effective professional investment management of retirement savings, and allows employees full portability of pension savings between employers.

"We believe our members will be pleased with the increased contribution opportunity with SPP," said Timothy Calibaba, Chairperson. The regulation change announced today allows for annual indexing of the maximum contribution. The maximum contribution will change each year.

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## MEDIA

### KEY POINTS

- SPP is the only plan of its kind in Canada (i.e., it is the only retirement savings plan which does not require an employer-employee relationship. It is of benefit individuals with little or no access to a pension plan – see “History” below).
- More than 33,000 people participate in SPP either as contributors or pension recipients.
- The average return to members since the Plan started in 1986 is 8.1 per cent.
- The Plan is flexible and voluntary (you can contribute what you can, when you can, up to the limit). It is also portable; you can take your Plan with you regardless of where you live or work.
- Among defined contribution pension plans in Canada, SPP is the 21st largest, based on assets under management to December 31, 2016.
- The Plan follows an investment approach which focuses on steady growth over the long term. Contributions are pooled for investment, and participants have the option to choose either the Balanced Fund (BF), Short-term Fund (STF) or both to deposit their contributions. The BF includes a combination of bonds, equities, short-term, real estate and infrastructure investments while the STF is strictly invested in money market instruments. Fund Facts are available at [saskpension.com](http://saskpension.com).

### HISTORY

- Saskatchewan created SPP in 1986 to provide a unique retirement income savings vehicle for individuals with little or no access to employer-sponsored pension plans or other retirement savings arrangements.
- The program goes beyond traditional pension plans because it is the only one in North America not requiring an employee-employer relationship.
- SPP headquarters has been in Kindersley since 1990.

### THE PROGRAM

- People who are between 18 and 71 years of age and have available RRSP contribution room can contribute to SPP.
- The maximum contribution per year is now \$6,000.
- Spousal contributions are permitted.
- Contributions are tax deductible within the RRSP contribution rules.
- Investments are professionally managed.
- SPP makes it easy for businesses to offer the benefit of a pension plan.
- Participants can continue to make contributions even when they change employers or location.
- Earnings are applied monthly to participant accounts. The average return to members since the Plan started 32 years ago is 8.1 per cent.
- Participants can retire from SPP any time after the age of 55.
- SPP's investment activities operate at arms length from the Government.
- The five-person board of trustees is responsible for administration of the plan.
- SPP specializes in handling a large number of small accounts efficiently; therefore it is an attractive pension alternative for small businesses and their employees.
- The highest account balance now exceeds \$170,000 and the highest pension payment is \$674 per month.
- SPP's oldest member is 96 years of age.



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