

CAAT pension plan's optional savings account allowing members to consolidate retirement savings

By: Blake Wolfe | October 24, 2024 | 09:00



Blake Wolfe

A new retirement savings vehicle could benefit members of the Colleges of Applied Arts and Technology's pension plan by streamlining investment choice and maximizing their personal retirement savings, says Jason Vary, president of Actuarial Solutions Inc.

This month, the CAAT pension plan launched an optional savings account that allows plan members to transfer in their tax-sheltered savings from eligible registered retirement savings vehicles, such as registered retirement savings plans, and benefit from the CAAT's scale and asset mix, including investments in private equity, infrastructure and real estate.

Read: [2024 CAP Member Survey: How CAPs are supporting employee financial wellness amid growing economic uncertainty](#)

"I'm a big fan of innovation in the retirement space," he says. "In a lot of cases, it can be advantageous for people to consolidate their investments and just have everything together so they don't lose track."

Vary notes plan members who are considering enrolling in the CAAT's new savings account should consider that it's geared toward long-term savings and offers limited withdrawals during the accumulation phase. "This [product] isn't as liquid as a normal RRSP — [plan members] can't make withdrawals regularly from this program, so it may not be for everyone."

According to [a new report](#) by Mercer and the CFA Institute, Canada's retirement system ranks No. 17 out of 48 countries, down from [No. 12 in 2023](#). To improve this ranking, the report suggested several measures, including increasing the coverage of private sector employees through the development of an attractive product for those without an employer-sponsored pension.

"There has been a lot of activity on the accumulation side of things lately, with different providers coming out with new products," says Vary. "Innovation is very, very important in this space [and] I think we all need to innovate as an industry to keep improving member outcomes."

Read: [Canada's retirement system ranks No. 17 out of 48 countries, has room for improvement: report](#)