

Your Group Retirement Savings Plan gives you access to one of the most powerful ways to save for your retirement. Here are three compelling reasons why contributing through payroll deductions can help you save faster and more efficiently.

Pay Yourself First

No matter what is happening in life, paying yourself first is a simple and powerful way to prioritize your financial future. By setting aside a portion of your income for retirement, before spending it on something else, you stay focused on your financial goals and build a strong foundation for the future.

Being enrolled in a Group Retirement Savings Plan means you are automatically saving of your future with every paycheque. When you review your paystub, you will see a deduction for contributions to your Group RRSP or Pension (RPP) program - a simple way to keep your financial goals on track.

Immediate Tax-Savings

When you contribute to your Group RRSP or RPP through payroll deductions, the amount is taken from your pay before any taxes are calculated.

For example: if your earnings are \$1,600 every 2 weeks and your contribution is \$100, your taxable income becomes \$1,500 instead of \$1,600. Assuming a 25% tax rate, the \$100 contribution feels like \$75 because you save \$25 in taxes right away. This immediate tax benefit makes it easier and more affordable to save - no need to wait until tax season to reap the rewards.

Dollar-Cost Averaging

Investing a consistent amount on a regular basis, regardless of market fluctuations is called dollar-cost averaging.

Here's how it works: In a *Rising Market*, your money buys fewer units. In a *Falling Market*, your money buys more units. Over time, this approach can help reduce your average cost per unit compared to buying all your investments at a single, potentially higher price.

Flexible Contributions: You can adjust the amount the you are contribute to your group retirement savings plan, as long as it aligns with the terms of the plan and stays within your RRSP limit as shown on your Notice of Assessment from Revenue Canada.

If your employer offers a sponsored program with matching contributions, make the most of it!
Employer matching is essentially free money and one of the most effective ways to grow your retirement savings!

* This is not a legal document, and is intended solely for informational purposes.