Advisor

Planning for the Future

Employee wellness offers great benefits to an organization. One area that causes significant levels of stress for many employees is saving for retirement. You can help them prepare for the financial impact and relieve some of that stress by offering a group registered retirement savings plan (RRSP).

Offering a group RRSP to your employees can help them in a number of ways – the first, and most obvious, being that they will begin to save for their retirement. Smaller, regular payments coming off their paycheques make it easy to start building their nest egg.

Employees also receive an immediate tax savings if they make contributions through payroll deductions. Because the funds are deducted from their gross pay, they'll only pay income tax on the reduced amount.

And, just like buying group insurance, group RRSPs typically have lower investment management fees than the fees charged by banks and individual mutual funds.

But there are benefits for employers, too. For instance, having a comprehensive group RRSP in place can develop greater employee loyalty and will help you to recruit and retain top talent at no additional cost to you.

You also have the option to add an employer-sponsored deferred profit sharing plan (DPSP). These plans are designed to reward good company performance by sharing the profits, creating a sense of partnership between an employer and the employees.

Handling a group RRSP requires significantly less administration by you as compared to a pension plan. Your main responsibility is to enrol your employees, after which, much of it is handled by the investment company.

In a competitive business environment, job seekers and employees are expecting more, even from small businesses. The Chambers Plan FutureStep® Group RRSP can be a simple way to help your employees save for their retirement and alleviate some of their financial concerns, while setting you apart from your competitors.