



Financial Services Regulatory Authority of Ontario

# Ontario Pension Sector Overview and Activities Report

**December 31, 2024**

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## Introduction

### **FSRA is a principles-based and outcomes-focused regulator.**

The Financial Services Regulatory Authority of Ontario (FSRA) regulates all workplace pension plans registered in Ontario. Our mandate and statutory objects under the FSRA Act are to promote the good administration of pension plans, and to protect and safeguard the pension benefits and rights of pension plan beneficiaries. FSRA's objectives also include contributing to public confidence in our regulated sectors, promoting education about the pension sector, monitoring trends and developments, and cooperating and collaborating with other regulators.

### **About the Ontario Pension sector annual overview and activity report**

FSRA is pleased to present the second annual Ontario Pension Sector Annual Overview and Activity Report (the Report) of pension plans regulated by FSRA.

The Report provides an analysis of Ontario's workplace pension landscape, offering stakeholders valuable insights into the sector's composition, operational activities and regulatory measures. This Report underscores FSRA's commitment to transparency.

The Report includes Sector Information regarding:

- Plan Assets, Number of Plans and Number of Plan Members Information
- Missing Members Information
- Defined Contribution Information
- Pension Operational Activities, including Service Standards
- Summary Administrative Monetary Penalties

The Sector Information section is based on data reported in [Annual Information Returns \(AIR\)](#)<sup>1</sup> that have been filed up to and including December 31, 2024. The data included comes from ongoing pension plans regulated and supervised by FSRA, including active pension plans and pension plans where benefits are no longer accruing but there are still assets. Plans that have wound up or are in the process of winding up are not included throughout the entire report, but are included for Missing Members Information, as those plans continue to have obligations with respect to those missing members.

## Executive summary

The pension sector in Ontario is diverse in terms of size, types of plans, governance structure, and regulatory framework.

In the last year, participation in workplace pension plans rose by an average of 4% in jointly sponsored pension plans, multi-employer pension plans and single employer pension plans. Notably, the number of plan members increased by 6% in jointly sponsored defined benefit pension plans and increased by 35% in multi-employer defined contribution pension plans. The total assets increased by 5% to approximately \$875 billion dollars, with an increase of 13% in defined contribution pension plans. The number of registered pension plans decreased for both defined benefit and defined contribution pension plans, at approximately 8% and 1% respectively.

FSRA's service standards promise a measurable level of performance and aims to improve accountability and timeliness of service delivery. In 2024, FSRA met its quarterly target for all three pensions related service standard measures. FSRA's dedicated resources to reviewing and processing plan wind ups and asset transfers continues to be successful. FSRA's focused team of experts dealing with all defined benefit wind ups and asset transfers means these transactions receive the attention they need to be processed in a timely fashion. While certain specific transactions can have complications, the majority are now completed within FSRA's service standards.

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<sup>1</sup> The AIR is required to be filed pursuant to the Ontario Pension Benefits Act (PBA) and the Federal Income Tax Act. The AIR is required to be filed electronically via the FSRA's Pension Services Portal.

In 2024, FSRA received 137 defined benefit and defined contribution wind ups, and 45 defined benefit and defined contribution asset transfers.

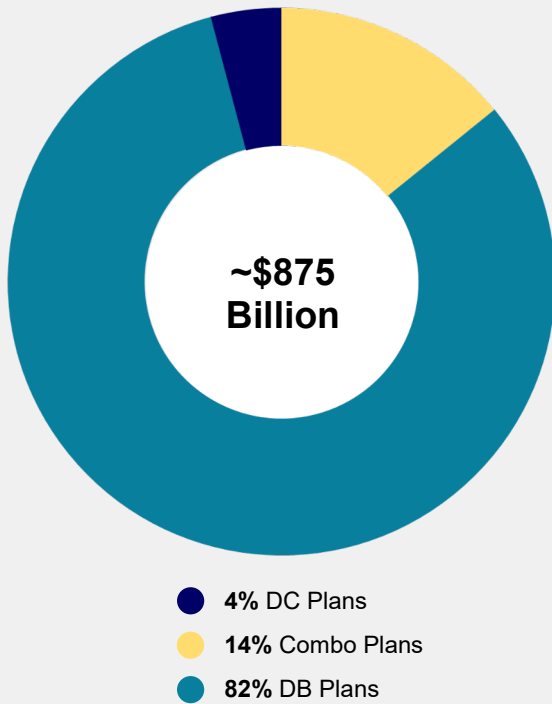
FSRA has seen improvements in the timeliness of defined benefit and combination, or “combo” plans (defined benefit plans with a defined contribution component) filing Statements of Investment Policies and Procedures and associated information summaries. On-time filings of defined contribution plan financial statements have decreased. FSRA continues to engage and work with plan administrators to ensure on-time filings.

In 2021, FSRA began collecting plan fee information from defined contribution plans on their AIR filings. This is the first year FSRA is sharing this information to the sector. As of December 31, 2024, approximately 95% of defined contribution plans reported fee information. For this first year reporting this information, FSRA focused on single employer defined contribution pension plans.

As of December 31, 2024, FSRA has imposed 16 summary administrative monetary penalty orders related to late filings between 2020 – 2024, ranging from \$25,000 to \$100,000.

# \$ Ontario Pension Sector Assets

## Total Assets

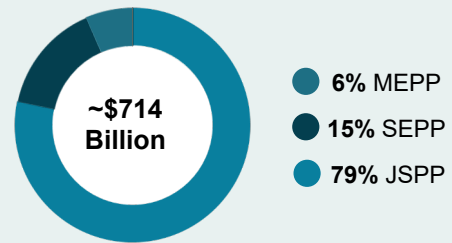


### Legend

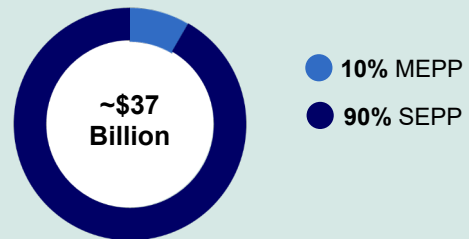
- Defined Benefit (DB) Plans
- Defined Contribution (DC) Plans
- Combination of DB and DC Plans

Multi-Employer Pension Plan (MEPP)  
Single Employer Pension Plan (SEPP)  
Jointly Sponsored Pension Plan (JSPP)

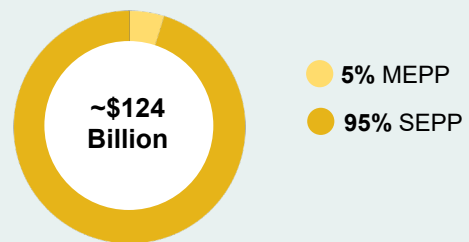
## Defined Benefit Plans Assets



## Defined Contribution Plans Assets



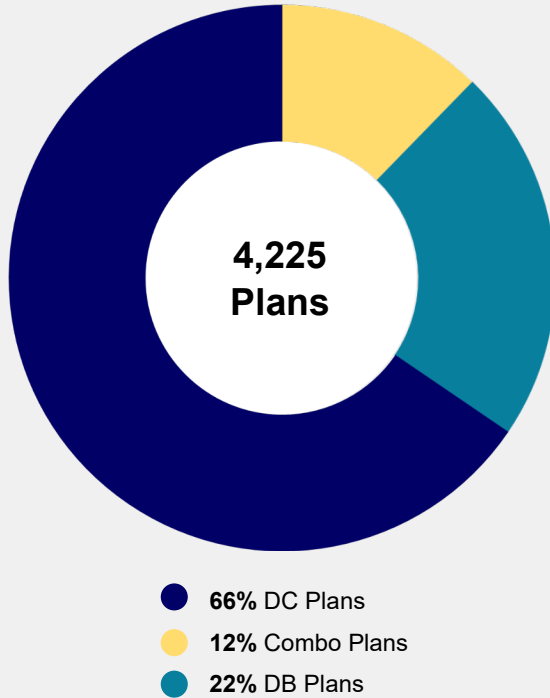
## Combo Plans Assets





# Ontario Pension Sector Plans

## Total Number of Plans



### Legend

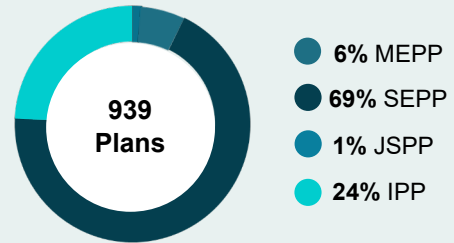
Defined Benefit (DB) Plans

Defined Contribution (DC) Plans

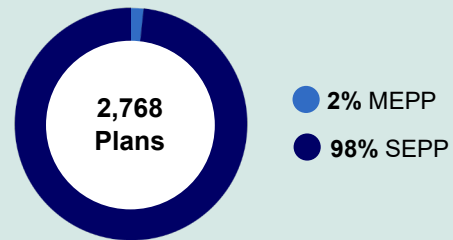
Combination of DB and DC Plans

- Multi-Employer Pension Plan (MEPP)
- Single Employer Pension Plan (SEPP)
- Jointly Sponsored Pension Plan (JSPP)
- Individual Pension Plan (IPP)

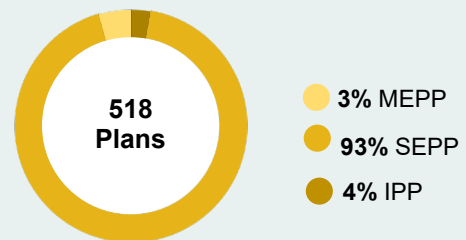
## Total Number of Defined Benefit Plans



## Total Number of Defined Contribution Plans



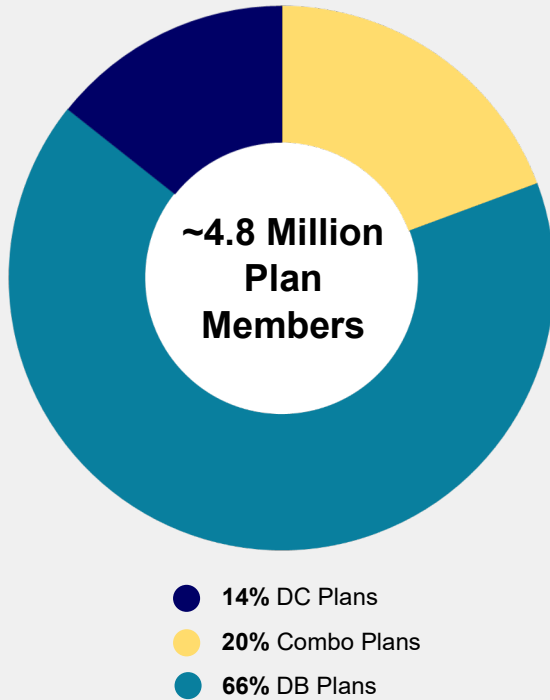
## Total Number of Combo Plans





# Ontario Pension Sector Members\*

## Total Numbers of Members

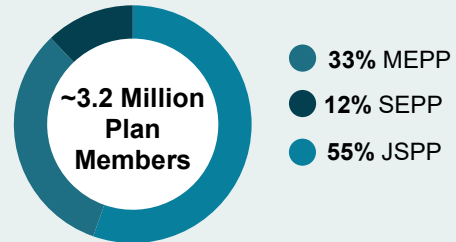


### Legend

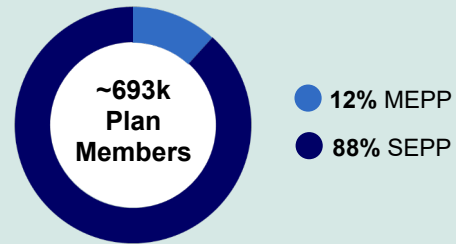
- Defined Benefit (DB) Plans
- Defined Contribution (DC) Plans
- Combination of DB and DC Plans

- Multi-Employer Pension Plan (MEPP)
- Single Employer Pension Plan (SEPP)
- Jointly Sponsored Pension Plan (JSPP)

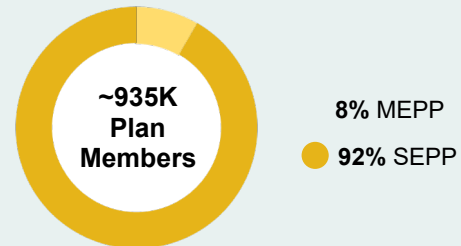
## Total Number of DB Plan Members



## Total Number of DC Plan Members



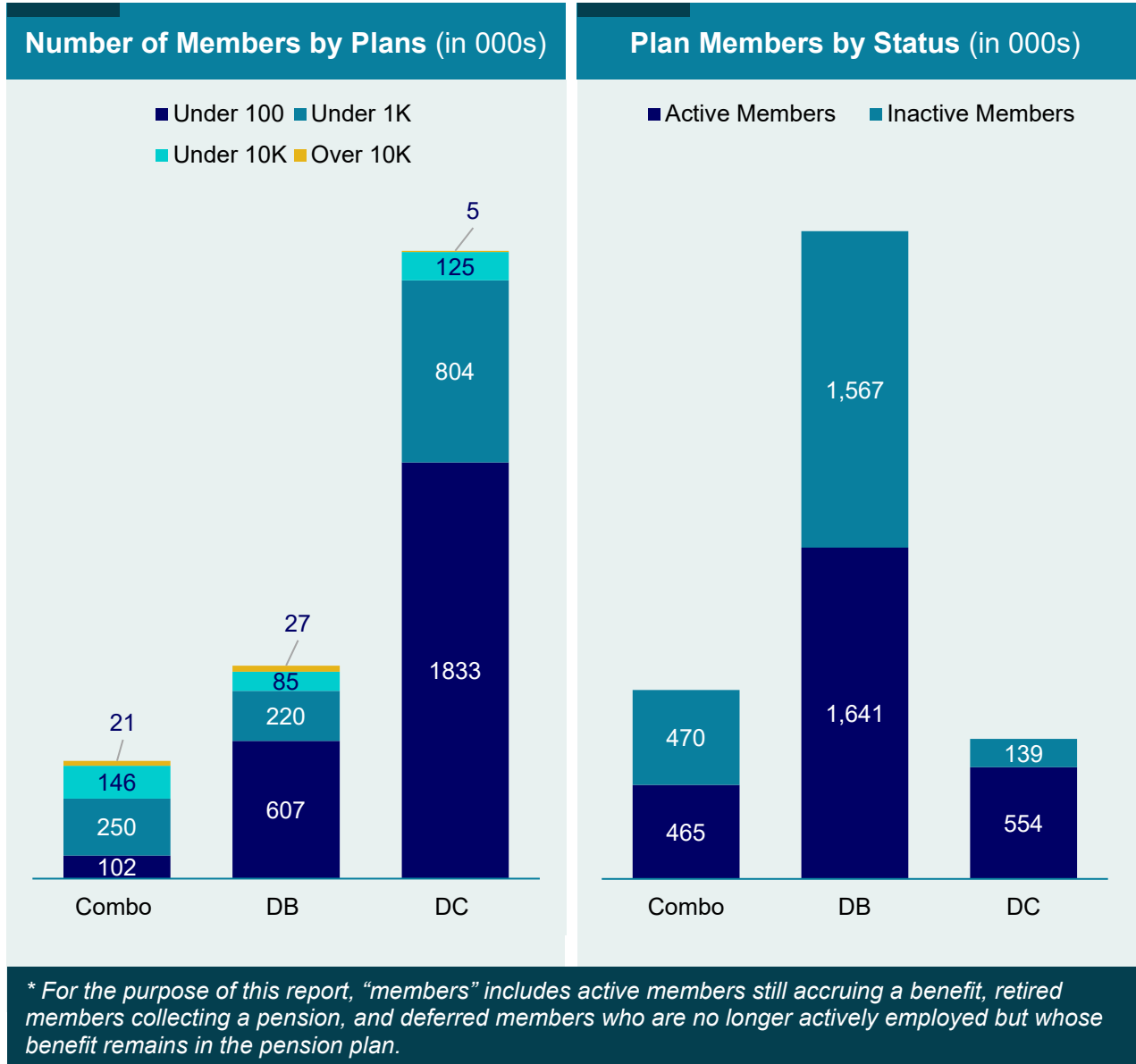
## Total Number of Combo Plan Members



\* For the purpose of this report, "members" includes active members still accruing a benefit, members collecting a pension, and deferred members who are no longer actively employed but whose benefit remains in the pension plan.



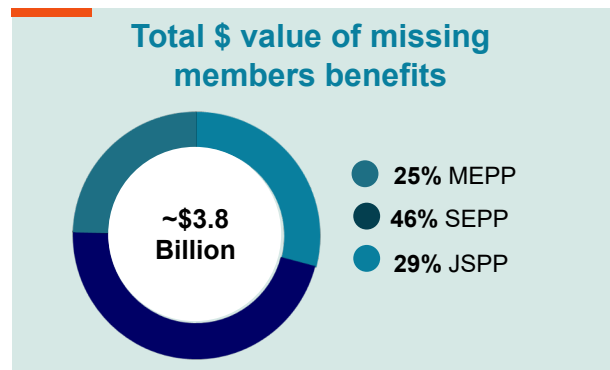
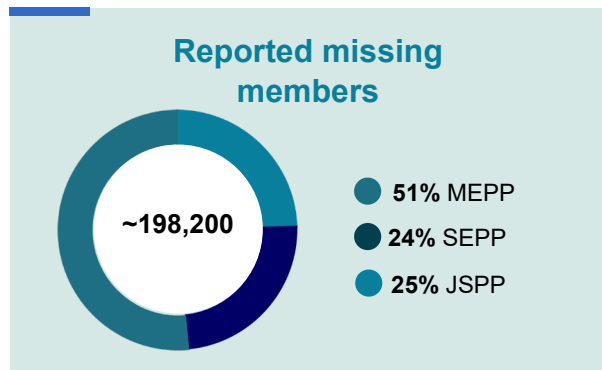
# Ontario Pension Sector Members\*



## Missing Members



In August 2020, FSRA began collecting information about missing members on a voluntary basis. As of September 2021, FSRA requires plans to provide a best estimate of their missing members data when filing their AIR.



# 1,682

The number of plans reported missing members.

### What is a missing member?

A pension plan member is considered “missing” if the pension plan administrator is unable to locate or communicate with the member and reasonably believes that the address on record for that member is no longer valid.

This can happen when, for example, plan members earn a small benefit at the start of their career and then after a year or two, change employers and forget about their entitlement. Then they might move and fail to update their new address with the pension plan they forgot they had. Although various government offices may have a missing member’s current address, that information has no way of getting to the pension plan administrator as these plans are not operated by the government.

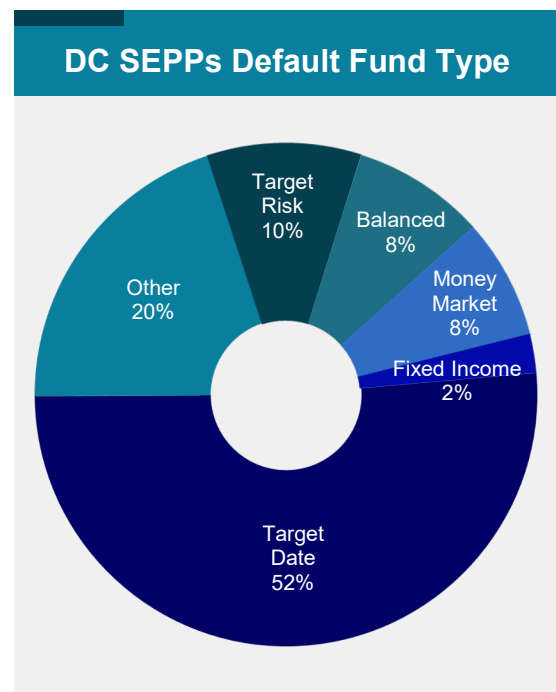
## Defined Contribution Plans Information

In 2021, FSRA began collecting plan fee information from Defined Contribution (DC) Plans and Defined Benefit (DB) Plans with DC components (known as Combo plans) on their AIR filings. The fee data collected refers to all-in fees, which typically includes investment management, custodial and plan administration, as well as administration only fees. Fees impact investment returns. In addition to collecting fee data, FSRA also collected the number of investment options offered, and if applicable, default investment options.

As of December 31, 2024, approximately 95% of DC and Combo Plans reported DC information data. This includes a total of 3,163 pension plans: 2,629 DC SEPPs<sup>1</sup>, 48 DC MEPPs, and 486 Combo plans.

The Default Fund Type attribution and summary of reported fee is provided for DC SEPPs.

- 52% of all DC SEPPs have “Target Date” funds as a default fund type and 20% reported “Other.” “Cash and Equivalent” is the most common default fund type listed under “Other.”
- The median number of investment options offered by DC SEPPs is 25.
- Approximately 66% of DC SEPPs have less than 100 members.



The fee data expressed below is aggregated and should not be relied upon with respect to fees payable under any individual pension plan.<sup>2</sup>

Summary Reported Fees for Defined Contribution Single Employer Pension Plans (SEPP)						
Number of Plan Members	Number of Plans	Total Number of Members	Average Number of Members	Average Lowest Fees (%)	Average Highest Fees (%)	Average Fees (%) <sup>3</sup>
0 to 100	1,744	61,272	35	1.10	1.82	1.45
101 to 1,000	764	229,046	300	0.61	1.28	0.90
1,001 to 3,000	81	139,203	1,719	0.37	0.94	0.60
3,000 and up	25	175,247	7,010	0.29	0.89	0.54
<b>Total</b>	<b>2,614</b>	<b>604,768</b>	<b>231</b>	<b>0.92</b>	<b>1.63</b>	<b>1.25</b>

<sup>1</sup> The summary table excludes pension plans with data anomalies (average fees exceeding 10%) (n=15). For the purposes of this analysis, the decision to exclude data points focuses on a specific percentile of the original dataset.<sup>2</sup> Fees are determined by contracts between investment management and other vendors and the plan administrator. Fees may vary between plans for different reasons.<sup>3</sup> Average fees across all DC investment funds without any weighting.

## Service Standards

FSRA’s goal is to deliver regulatory excellence to promote the good administration of plans and protect plan members' rights. Service standards are essential to good public service. They reflect a pursuit of a measurable level of performance, which stakeholders can expect under normal conditions.

### Pension inquiries measures

Pension inquiries will be responded to within forty-five business days.

Target	Jan – Mar	Apr – June	Jul – Sep	Oct – Dec	Annual Result
90.0%	90.4%	96.4%	93.3%	95%	94.1%

**In 2024,  
FSRA received**

2,973

**total number of  
pension related  
inquiries**

↓ Decrease of 4% from 2023

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1,057

**General inquiries** not associated with a specific pension plan.  
↓ Decrease of 13% from 2023

1,353

**Plan specific inquiries** from employers, plan administrators and non-plan members.  
↓ Decrease of 6% from 2023

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563

**Plan specific inquiries** from pension plan members.  
↑ Increase of 25% from 2023

## Plan wind ups

Wind up applications will be reviewed, and a decision will be made within 120 business days for DB plans and ninety business days for DC plans.

Plan type	Target	Jan – Mar	Apr – June	Jul – Sep	Oct – Dec	Annual Result
Defined Benefit Plans	80%	<b>87.5%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>98%</b>
Defined Contribution Plans	90%	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## Asset transfers

Asset transfer applications will be reviewed, and a decision will be made within 120 business days for DB plans and ninety business days for DC plans.

Plan type	Target	Jan – Mar	Apr – June	Jul – Sep	Oct – Dec	Annual Result
Defined Benefit Plans	80%	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
Defined Contribution Plans	90%	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

# Statutory Filings

Workplace pension plans registered in Ontario are required to file certain forms, certificates and reports with FSRA. To avoid incurring summary administrative monetary penalties (AMPs) for late filings, FSRA encourages plans to meet the prescribed timelines.

Statutory filings expected by December 31, 2024	Defined Benefit Plans		Defined Contribution Plans		Combo Plans	
	Received on time*	Total received**	Received on time*	Total received**	Received on time*	Total received**
Annual Information Return (AIR)	99.0%	99.9%	91.4%	99.0%	98.9%	99.6%
Pension Benefits Guarantee Fund (PBGF) Certificate	97.9%	99.3%	Not Applicable	Not Applicable	98.8%	99.0%
Financial Statements (FS)	97.2%	99.5%	90.7%	98.9%	98.3%	99.4%
Investment Information Summary (IIS)	96.8%	99.6%	Not Applicable	Not Applicable	98.0%	99.6%
Actuarial Reports (AR) accompanied by an Actuarial Information Summary (AIS):	93.4%	97.9%	Not Applicable	Not Applicable	98.3%	99.2%
Statement of Investment Policies and Procedures (SIPP) accompanied by a SIPP Information Summary	92.4%	100%	Not Applicable	Not Applicable	92.2%	100%

*\*Received on time: The total percentage of all expected filings received on or before the prescribed timelines.*

*\*\*Total received: The total percentage of all expected filings received, including on time and late filings.*

# Administrative Monetary Penalties

## Background

FSRA can impose administrative monetary penalties, known as AMPs, for certain contraventions under the PBA and its regulations.

There are two types of AMPs:

- General AMP (known as “variable penalties”)
- Summary AMP (known as “fixed penalties”)

FSRA levies AMPs as a strategy to ensure and promote compliance in the pension sector.

A **Summary Administrative Monetary Penalty (SAMP)** is imposed if a person is late in submitting their regulatory filings.

A General AMP may be imposed when a person contravenes specific requirements of the PBA or its regulations, they fail to comply with an order imposed by FSRA or they fail to comply with an obligation assumed by way of an undertaking.

In 2024, 7 SAMP orders were imposed by FSRA. To date, no General AMPs have been levied.

*In total since 2020:*

- FSRA has imposed a total of 16 SAMP orders related to late filings.
- SAMP orders ranged from \$25,000 to \$100,000
- The total SAMP assessed was \$645,700.

### SAMP orders by plan type

Plan type	SAMP order
Combo Plans	1
Defined Benefit Plans	3
Defined Contribution Plans	12

### Filing types related to a SAMP order\*

Filing type	SAMP
Annual Information Return	13
Financial Statement	15
Actuarial Report	1
Investment Information Summary	2

*\*A SAMP order may cover multiple late filings*