

# Have changing times affected your pension plan?

BY ELAINE BUFFET, CA

Special to The Tanner

The economy and the workplace have undergone significant upheaval over the past few years with the recession, restructuring and a new emphasis on the global economy. Chances are that your pension plan has undergone changes as well. Don't make the

mistake of ignoring these changes since they could affect how well off you will be when you retire.

As any chartered accountant will tell you, your pension plan is one of the most important cornerstones of your retirement planning. Most pension plan members will derive the bulk of their retirement income from their plan. It will pay to understand any changes made to your plan and to take advantage of any new opportunities.

A number of employer-sponsored plans have been changing as a result of the significant costs associated with funding the plans. Should you find yourself in a situation where the plan is being altered by your employer, you should ensure that you are aware of the long-term implications arising from the revision. Your eventual

retirement income could be affected positively or negatively by this change.

Other plans have introduced options that you might be able to take advantage of. For example, your plan may allow you to make extra contributions. In some cases your employer may match the contributions.

If you don't belong to a pension plan, the onus is on you to save for your own retirement. Many commentators say that the Canada Pension Plan and Old Age Security are in jeopardy and Canadians should count on receiving much less from these plans when they eventually retire. Therefore, you should be taking advantage of saving by means of registered retirement savings plans (RRSPs).

Contributions to RRSPs are tax deductible and the amounts in your RRSP are taxable only when you receive them. A maximum of up to \$12,500 can be contributed in 1993, although your actual limit may be less depending on the size of your income and how much you contribute to other types of pension plans.

If you have not been contributing to an RRSP, you may be able to make sizeable contributions this year. A 7-year carry-forward for unused contribution room was introduced in 1991 and subsequent periods. Review your 1992 Notice of Assessment to see how much you are eligible to contrib-

ute to an RRSP. Your assessment should have been received in the spring or early summer.

As the public debt and the pressure on governments to reduce spending mount, the public purse will be less able to afford to guarantee retirement benefits for every Canadian. The onus is on you to

accumulate sufficient savings to see you through your retirement years. Unfortunately, the closer you are to retiring, the harder you will have to work at saving a sufficient amount.

*Elaine Buffet is a senior tax manager with KPMG Peat Marwick Thorne.*

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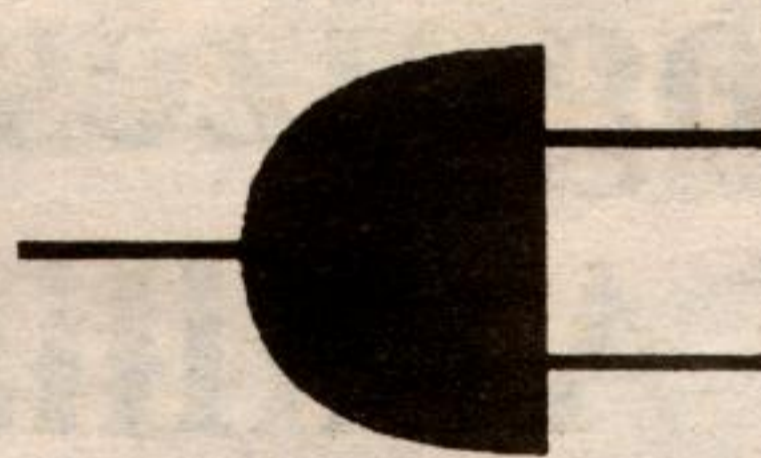
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**DOLLARS AND SENSE:** Karen Markham was busy last Wednesday at Acton High flipping through the pages of a financial management manual. She attended a financial management workshop sponsored by the Rec and Parks Department. (Doug Harrison photo)

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If you currently receive a meter reading card because Halton Hills Hydro can't obtain access to your meter, take note: you can now phone in your meter reading at any time of the day or night, seven days per week.

You can now provide us with your reading for billing purposes by simply dialing the phone number shown on the meter reading card, 853-3254. This reading will be transcribed by Halton Hills Hydro staff and you will be billed accordingly.

### Approved Timers

During cold winter nights many people plug in an engine block heater to make sure their vehicle starts in the morning.

But let's remember that a block heater only requires two or three hours to adequately warm up your engine.

Using a timer can reduce the monthly operating cost for block heaters in the winter and heating pools in the summer.

### ENERGY HINTS!

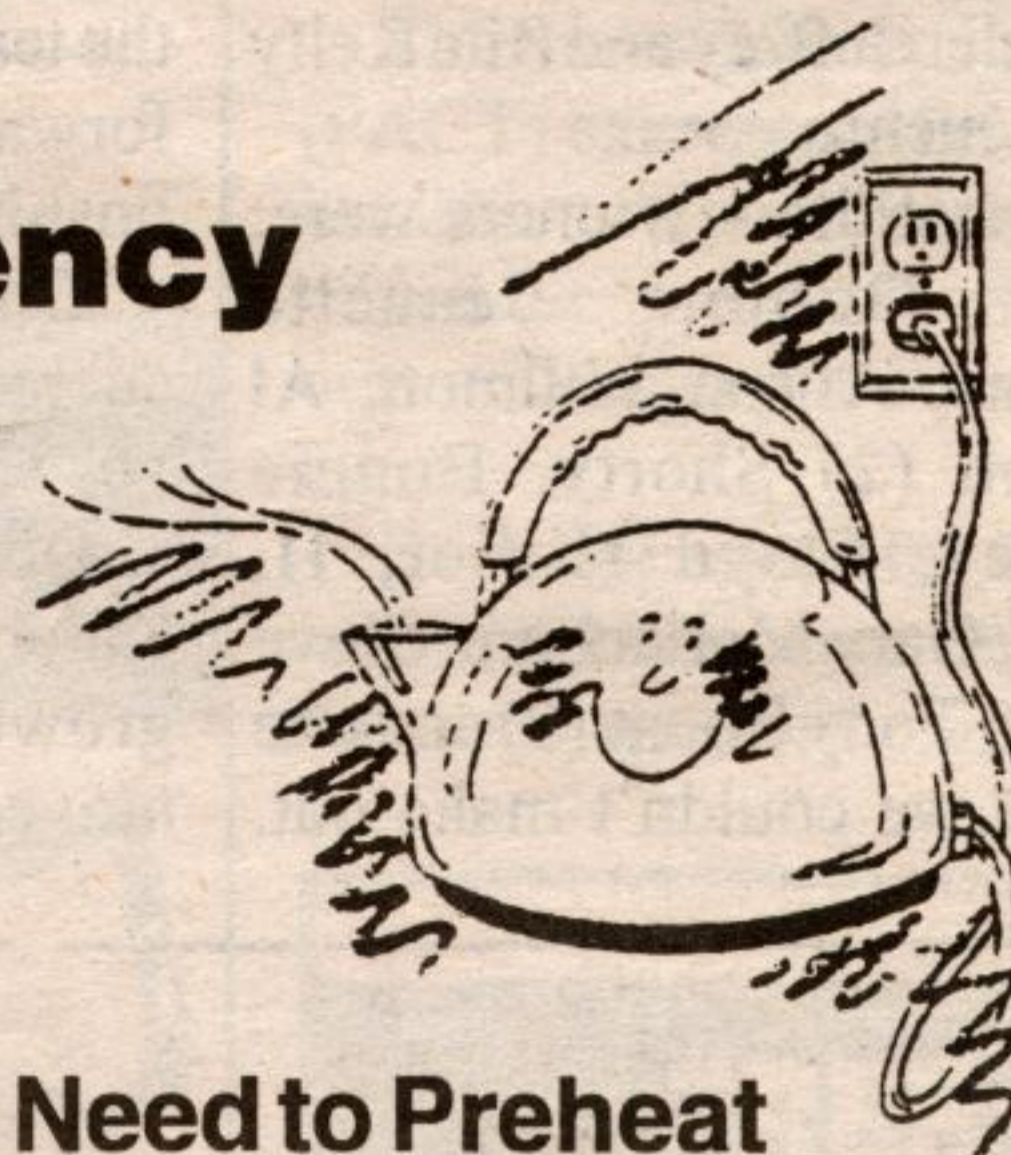
#### Kitchen Efficiency

##### The Right Appliance

Use the right appliance for the task. For example, heating water on the stove uses twice as much energy as using an electric kettle. Don't forget the microwave oven — it uses up to 50 per cent less energy than a conventional electric range.

##### No Need to Preheat

Preheating your oven isn't always necessary unless you're baking. But remember it takes only 10 minutes for the oven to reach 130 degrees Celsius (350 degrees Fahrenheit).



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