

Report on Pensions Plans

Registered in British Columbia



OCTOBER 2025

BCFSA

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1. Glossary

Annual Pension Report (APR)

Actuarial Valuation Report (AVR)

British Columbia (B.C.)

BC Financial Services Authority (BCFSA)

Defined benefit (DB)

Defined contribution (DC)

Pension Benefits Standards Act (PBSA)

Pension Benefits Standards Regulation (PBSR)

Provision for Adverse Deviations (PfAD)

Target benefit (TB)



2. Overview

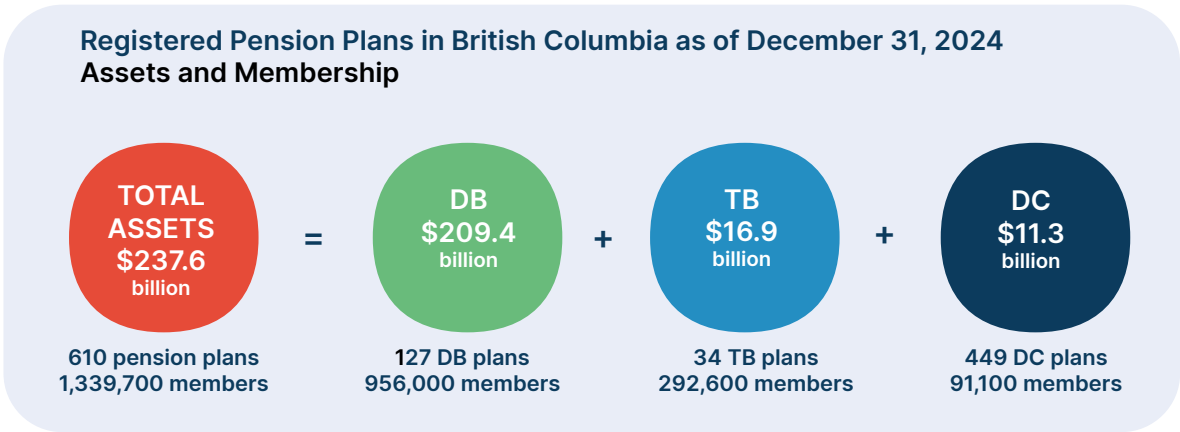
BCFSA is a Crown regulatory agency of the B.C. government, established by the Financial Services Authority Act, 2019. Its mandate is to ensure the safety and soundness of B.C.'s financial services sector and to safeguard the interests of depositors, policyholders, beneficiaries, and pension plan members as they interact with the sector.

Workplace pension plans are an important part of the B.C. economy and a vital mechanism for a healthy and strong retirement path for many British Columbians, playing a crucial role in supporting their long-term financial wellbeing. It is essential that plan members feel confident knowing they can depend on their pension income in retirement—alongside government benefits, personal savings, and other sources of income.

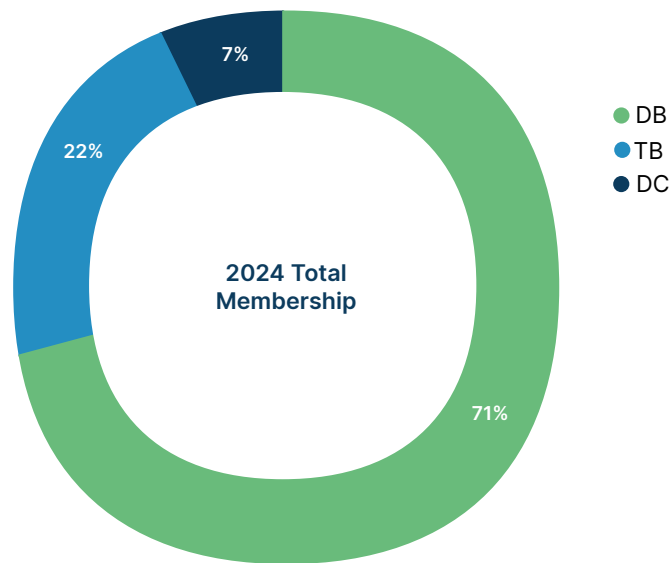
BCFSA employs a principles-based and risk-based approach to the supervision and regulation of registered pension plans. It promotes sound governance and effective administration to support the long-term sustainability of pension plans.

Every year, BCFSA collects data from all registered pension plans and summarizes it in a public report like this one. Plan administrators and their advisors may find this useful to review trends or see how their plan compares to the other B.C. plans broadly.

Overall, B.C. pension plans are well funded, having shown resiliency in navigating the past several years' economic challenges, including existing and emerging risks.



The total number of pension plans decreased slightly to 610 in 2024, down from 613 the previous year. This decline was mainly driven by plan mergers and windups, though it was partially offset by the addition of 15 new plans. Despite the reduction in plan count, overall plan membership grew by four per cent in 2024, from 1,290,300 to 1,339,700. Membership growth in public and multi-employer plan segments outpaced the rest, with five to six per cent increases in 2024. In turn, aggregate contributions rose nine per cent in the year.



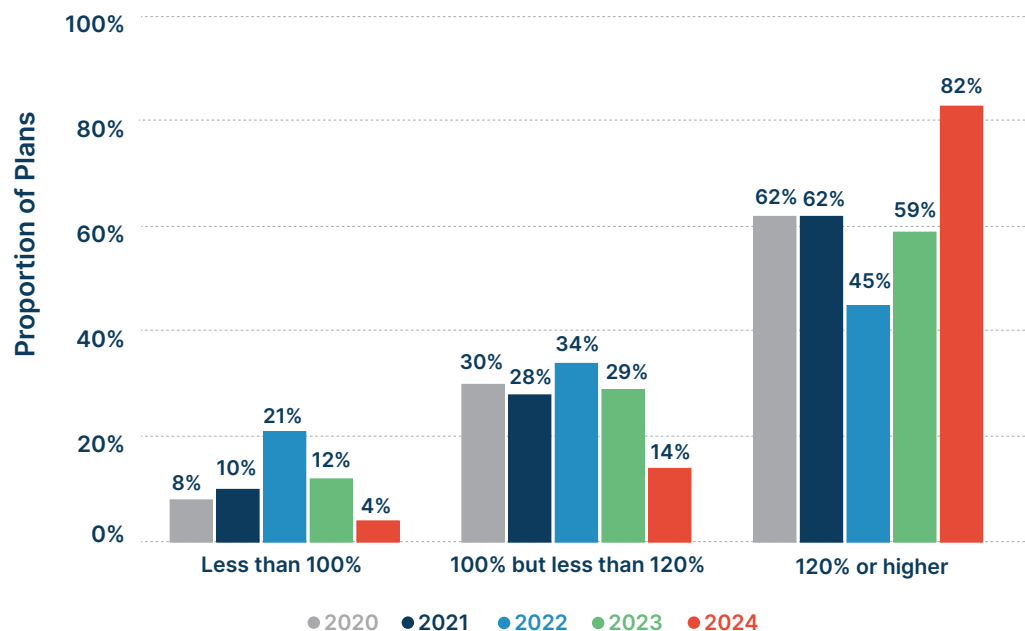
2024 Total
Contributions
\$7.5 B



2024 Assets
Rose by
10%

Excluding DC and smaller plans, which do not report cash flows, 362,000 pensioners and beneficiaries received a pension from a B.C. plan in 2024.

DB and TB Plans Distribution by Going Concern Funded Ratio



Funded ratios improved in 2024, helped by solid asset performance in the year. Projected¹ to December 31, 2024, four per cent of plans were underfunded on a long-term basis, compared to 12 per cent in 2023 and 21 per cent in 2022. Most plans are over 120 per cent funded.

As a result:

- 13 DB and TB plans increased benefits in the year;
- 28 per cent of DB plans reported using some excess to reduce the amount contributed; and
- many others saved their excess to protect against future adverse experience.

BCFSA continues to monitor the funding risk of registered DB and TB plans on an ongoing basis.



¹ BCFSA projects asset values from the recent APR filings and liabilities from the most recent AVR filings.

3. DC Pension Plans

MEMBERSHIP

The number of members in DC plans in B.C. rose slightly during the year, with a 3.2 per cent increase.

Multi-employer DC plans hold 20 per cent of DC plan members and represent our fastest-growing segment. In addition to the 91,100 members in DC plans, there are 27,100 DC members in plans that have both DB and DC provisions, who are counted in the DB section later in the report.

DC Plan Membership on December 31, 2024

Membership	Number of Plans	Members
Fewer than 100	312	9,700
100-499	104	21,400
500-999	18	12,900
1,000 or more	15	47,100
Total	449	91,100

CONTRIBUTIONS

In keeping with the increase in DC plan members, DC plans received five per cent more contributions year over year. Employers paid 64 per cent of contributions, as in the past four years.

Contributions to DC Plans (\$Millions)

Contribution Category	2020	2021	2022	2023	2024
Employer	\$331.4	\$326.5	\$356.9	\$389.7	\$415.9
Member Required	\$154.7	\$152.1	\$167.3	\$184.8	\$196.0
Member Voluntary	\$33.3	\$33.2	\$37.8	\$39.6	\$34.9
Total	\$519.4	\$511.8	\$562.0	\$614.1	\$646.8

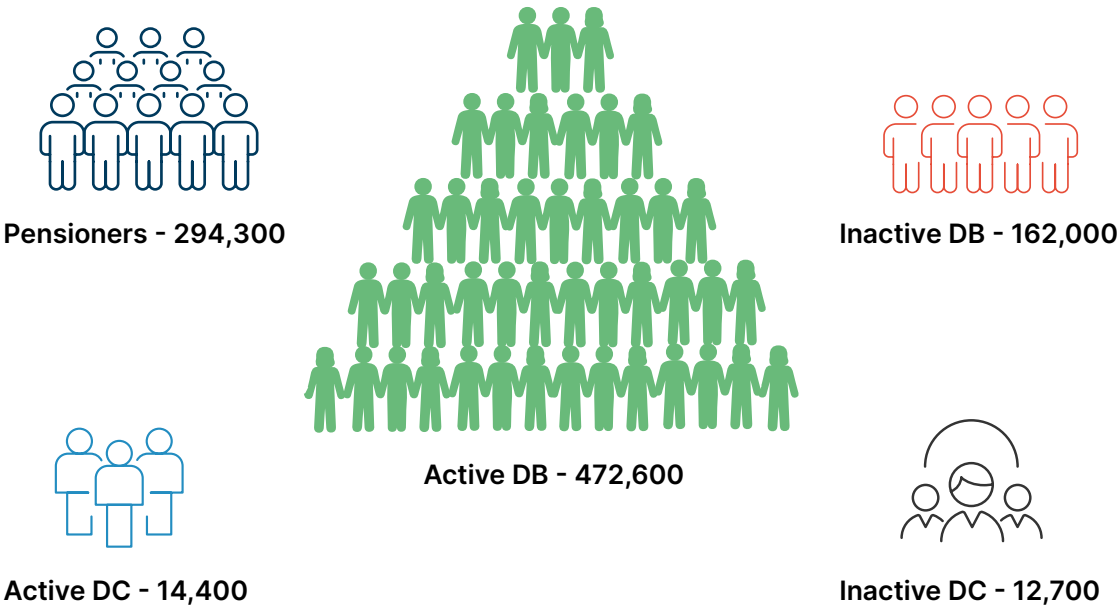
4. DB Pension Plans

MEMBERSHIP

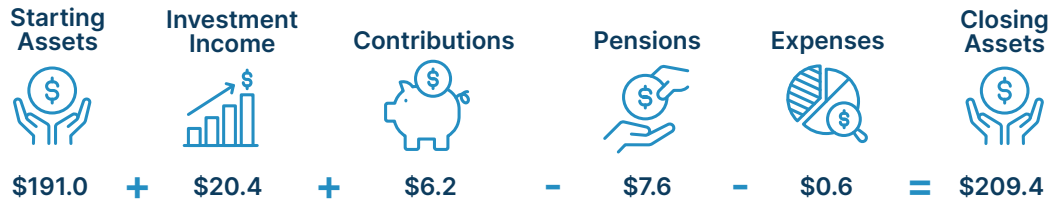
DB plan membership continued to trend upward with a 3.5 per cent increase year over year. Most members participate in a multi-employer plan, with just 11 per cent participating in a single-employer plan. Total active membership grew at a faster pace overall than the inactive and pensioner groups of DB plans.

DB Plan Membership on December 31, 2024			
Number of Members	Number of Plans	Total Membership	Members in Multi-employer Plans
Fewer than 1,000	96	16,600	400
1,000-4,999	19	46,100	4,000
5,000-9,999	5	39,300	16,300
10,000 or more	7	854,000	837,330
Total	127	956,000	858,000

DB and DB/DC Plan Membership



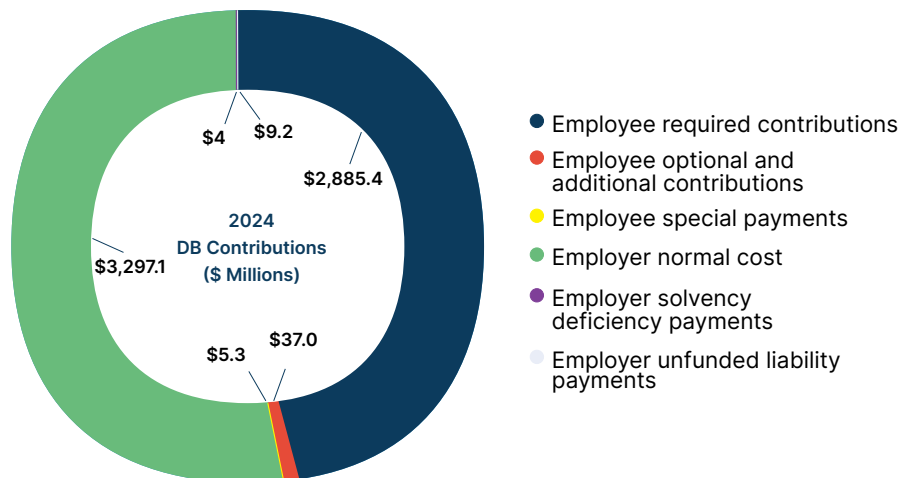
Cash Flows (\$Billions)



Investment returns were positive in 2024 and, as a result, the closing assets saw a 9.6 per cent improvement year over year.

CONTRIBUTIONS

Total contributions to DB plans rose to \$6.2 billion (compared to \$5.7 billion in 2023) as membership, and benefits in some plans, increased. Employer solvency and unfunded liability payments decreased from \$35 million to \$13.2 million, reflecting the improved funded health of plans in 2024.

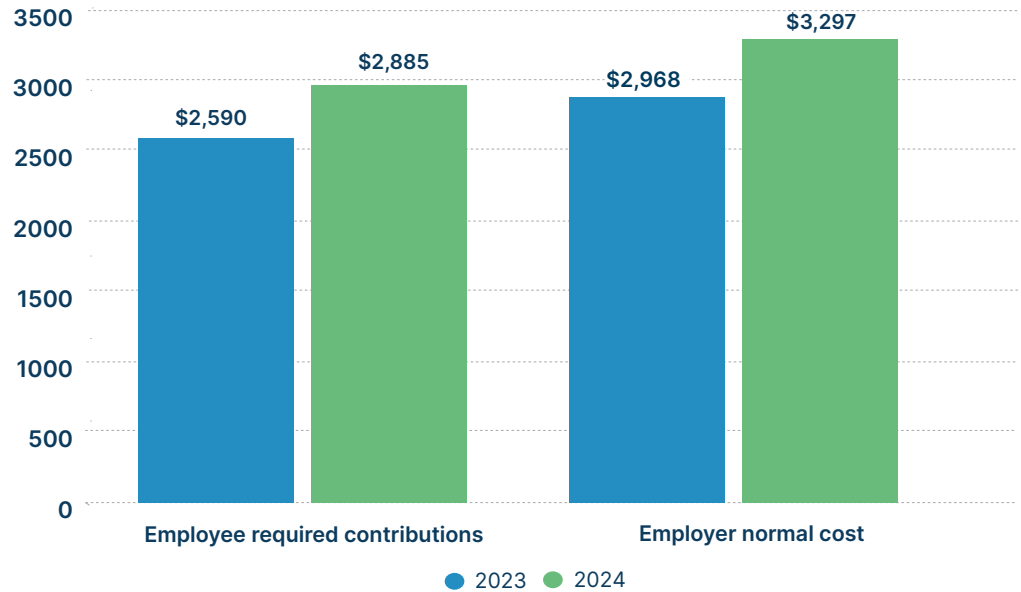


More than a quarter of DB plans reported using excess actuarial assets to reduce required employer contributions, as permitted by the PBSA:

- 35 plans used excess towards DB provision funding requirements; and
- one plan with both DB and DC provisions reported using excess to meet DC funding requirements.

Increased membership outweighed that use of excess, such that aggregate required contributions to DB plans rose by 11 per cent in 2024.

DB Contributions (\$Millions)

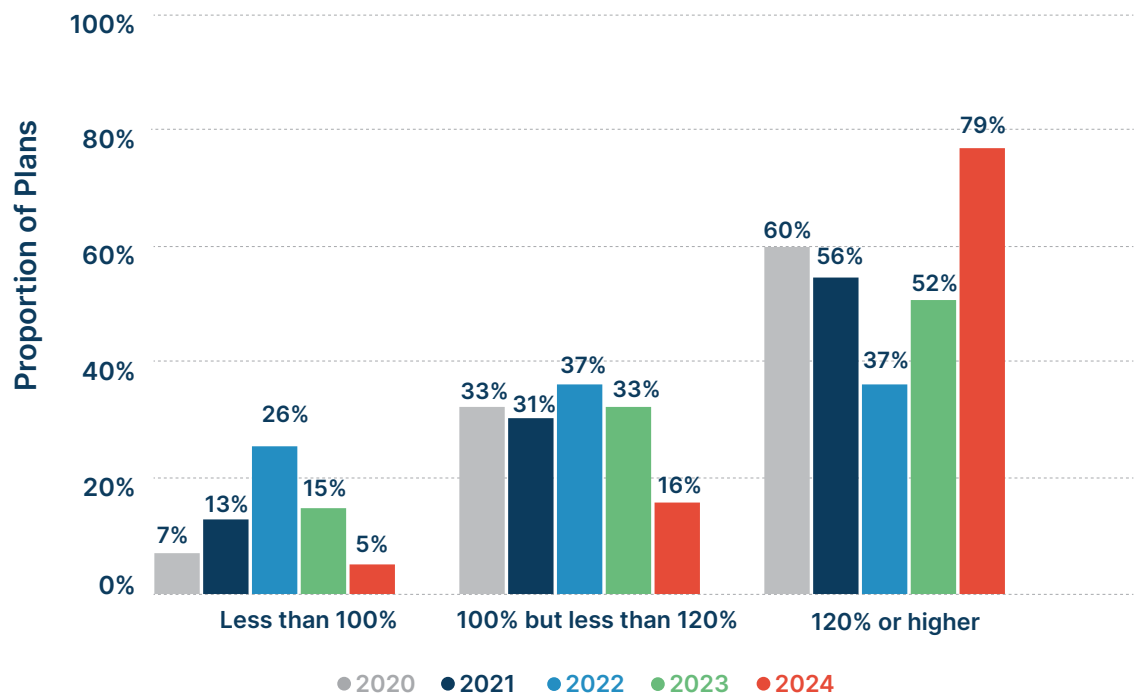


FUNDED STATUS

The following analysis is based on the projected² aggregate funding position of DB plans at the end of 2024. It excludes the four largest pension plans, individual pension plans and designated pension plans.

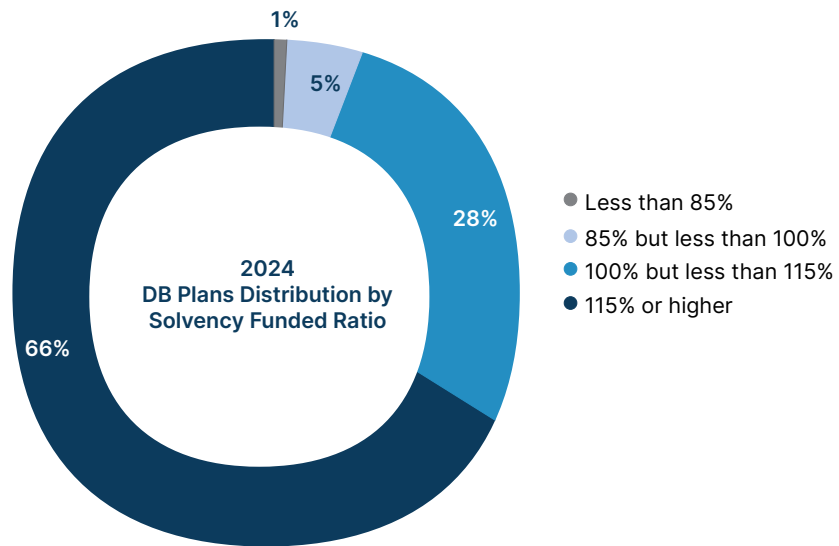
In 2024, 95 per cent of DB plans were fully funded on a going concern basis, compared with 85 per cent of plans in the prior year and 74 per cent of plans in 2022.

DB Plans Distribution by Going Concern Funded Ratio

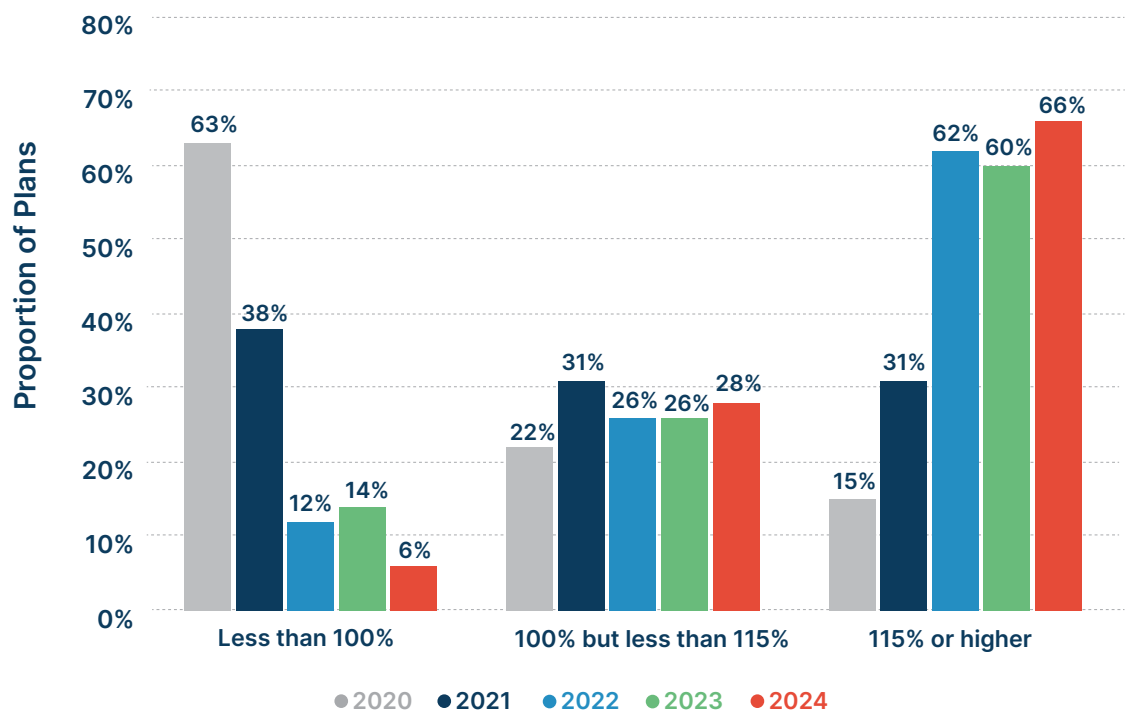


² BCFSAs projects asset values from the recent APR filings and liabilities from the most recent AVR filings.

Discount rates used to determine liabilities on a solvency basis bottomed out in 2020. The increasing interest rate environment since then has led to lower solvency liabilities and improved funded status for DB plans.



DB Plans Distribution by Solvency Funded Ratio



At the end of 2024, 94 per cent of DB plans were projected³ to be fully funded on a solvency basis, a marked improvement from 37 per cent of plans in 2020.

³ BCFSA projects asset values from the recent APR filings and liabilities from the most recent AVR filings.

5. TB Pension Plans

PfAD REFORM

Effective December 31, 2022, the PfAD for TB plans was reformed by [Order in Council No. 505](#), and now includes two components:

- 7.5 per cent; plus
- A supplementary percentage determined by the plan administrator.

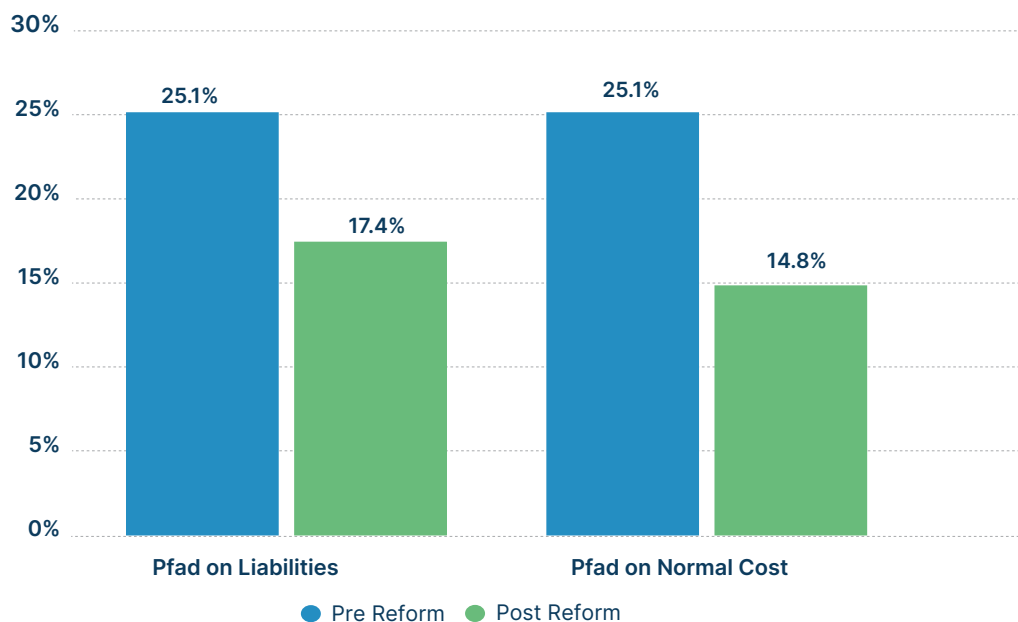
Plans may adopt a different PfAD for liabilities and normal cost.

Following extensive consultation with industry about the TB PfAD, BCFSa published a [Guideline](#) for TB plan administrators and service providers, which sets out BCFSa's expectations with respect to the development and documentation of the new PfAD.

Since the PfAD reform:

- Approximately three-quarters of TB plans have filed an AVR under the new PfAD rules, with three of those plans having filed twice; and,
- The average total⁴ PfAD selected by TB plans decreased substantially from the latest pre-reform levels.

Average Total PfAD adopted by TB plans



⁴ Total PfAD refers to the aggregate of the 7.5 per cent minimum PfAD plus the supplementary percentage determined by the plan administrator.

So far, TB plans are documenting their rationale and approach for identifying the PfAD in their funding policies. With each new filed AVR, BCFSA will continue to assess the appropriateness of a plan's chosen PfAD relative to the Guideline and the PBSR, while applying the principle of proportionality, considering the nature, size, complexity, and risk profile of the plan.

MEMBERSHIP

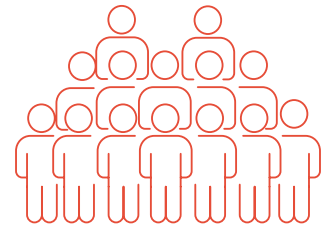
TB Membership



Pensioners
65,900



Actives
90,700



Inactives
136,000

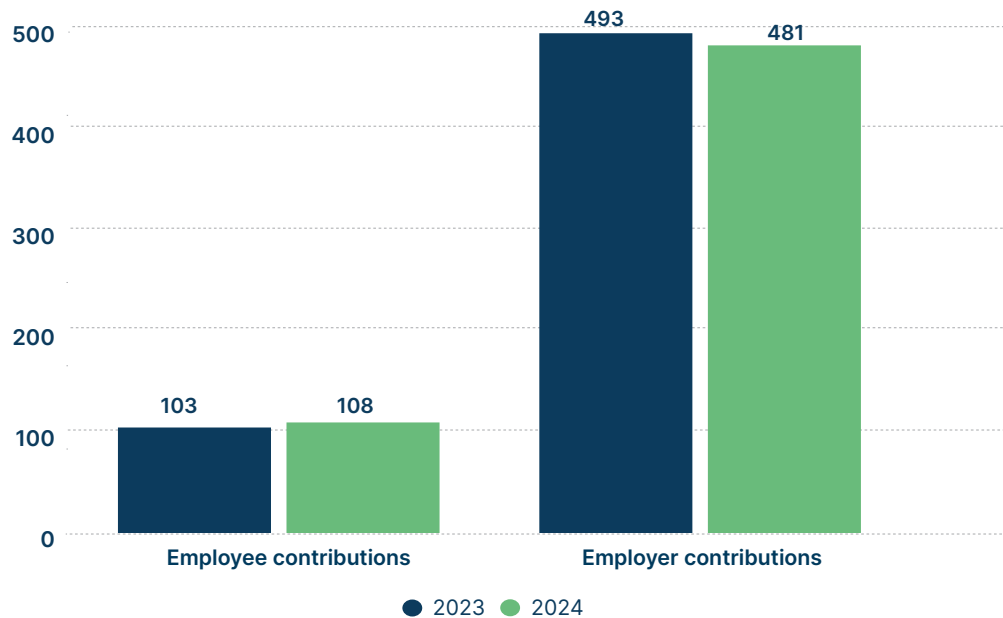
Membership in TB plans grew in 2024, seeing total members increase to 292,600 from 284,930 in 2023. The number of TB plans did not change.

TB Plan Membership on December 31, 2024

Membership	Number of Plans	Members
Fewer than 1,000	5	3,400
1,000-4,999	16	36,400
5,000-9,999	5	32,700
10,000 or more	8	220,300
Total	34	292,600

CONTRIBUTIONS

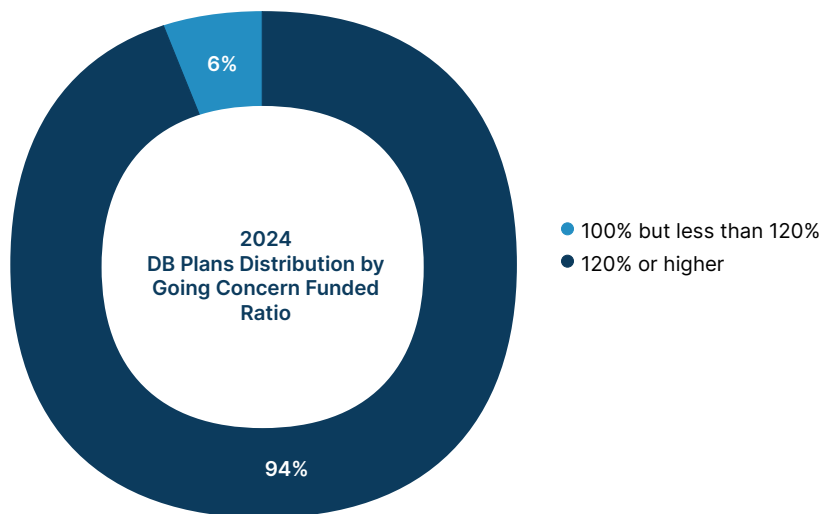
TB Contributions (\$Millions)



The PfAD reform's downward impact on the PfADs used for normal cost, counteracted the increasing membership, and the result was a net 1.4 per cent decrease in required contributions to TB plans, which is a reversal of previous years' increasing trend.

FUNDED STATUS

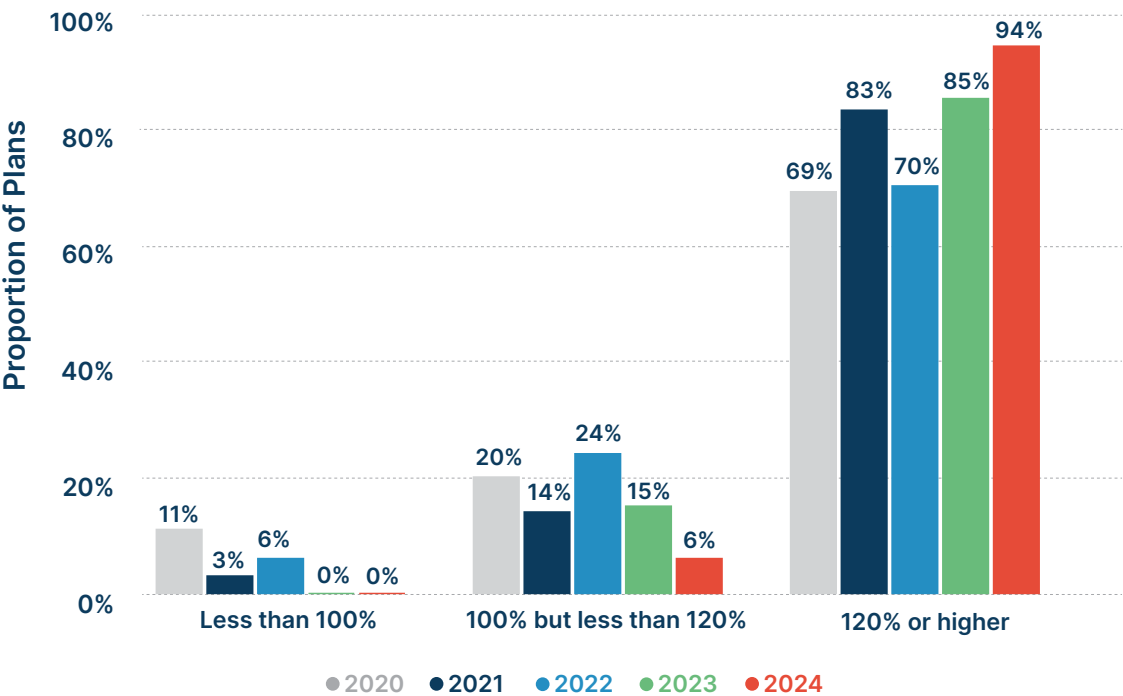
All target benefit plans were fully funded on a going concern basis by the end of 2024, based on projections⁵ by BCFSA.



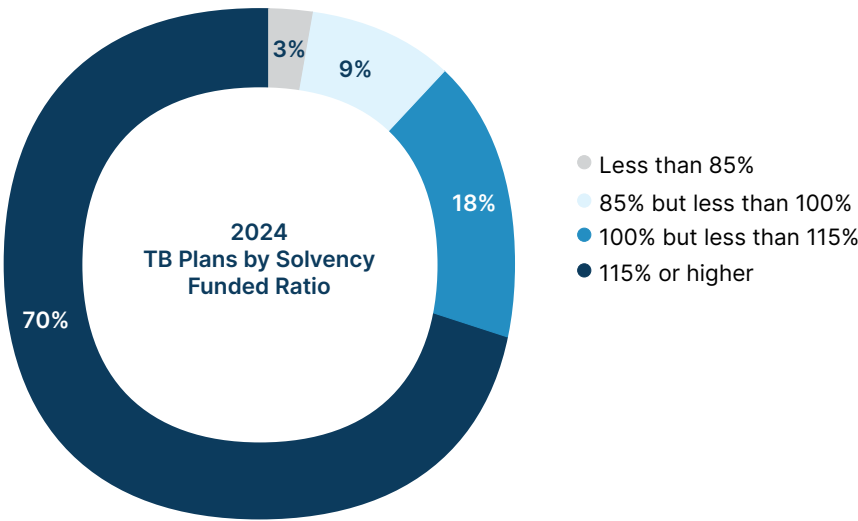
This is a marked improvement from 2020 when 11 per cent of TB plans were not fully funded on a going concern basis.

⁵ BCFSA projects asset values from the recent APR filings and liabilities from the most recent AVR filings.

TB Plans Distribution by Going Concern Funded Ratio



Only 12 per cent of TB plans were projected as less than fully funded on a solvency basis at the 2024 year-end, improved from 18 per cent in 2023. TB plans are very well funded overall.

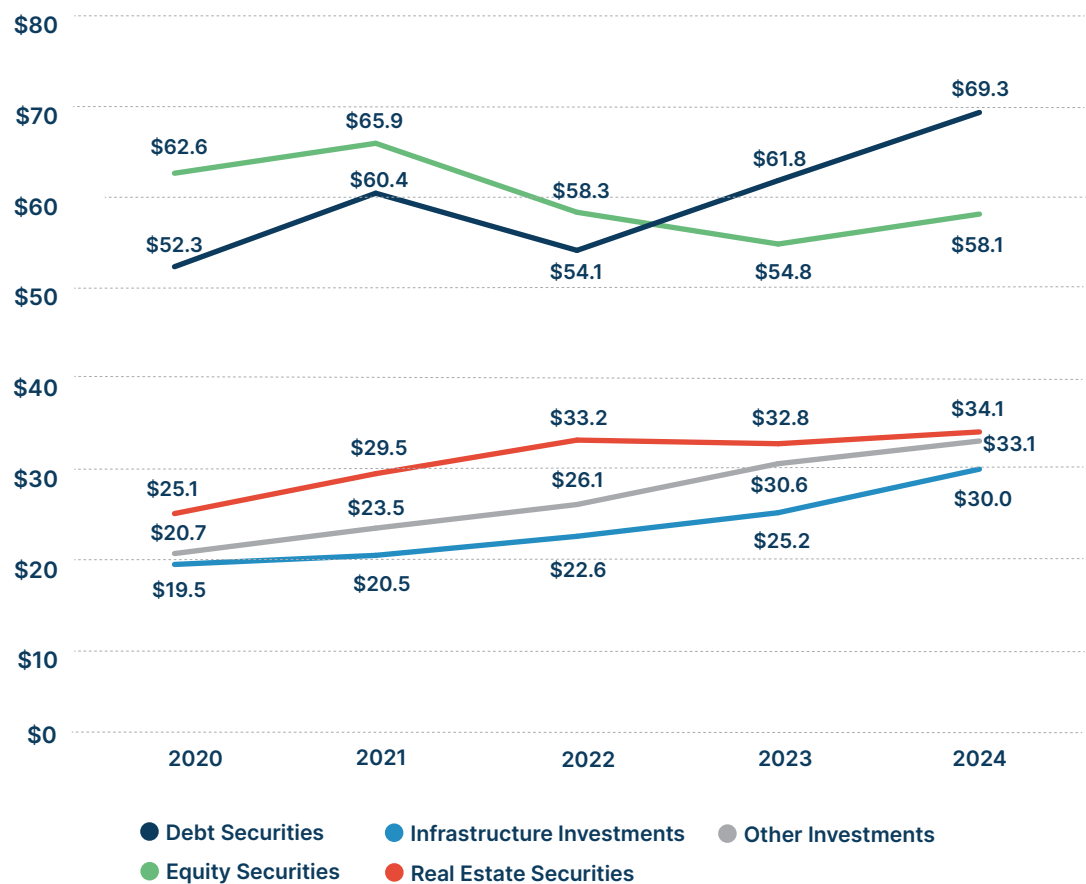


6. DB and TB Pension Plans

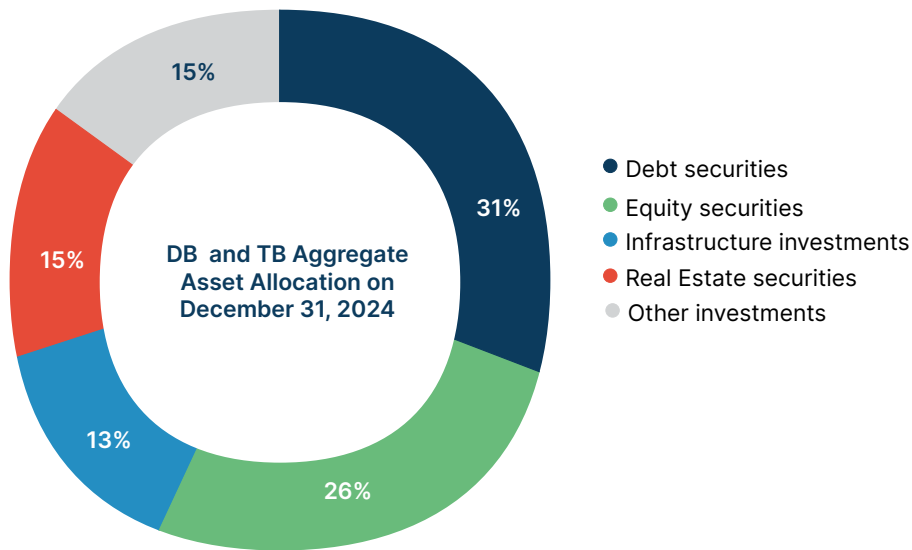
INVESTMENTS⁶

Overall, the aggregate asset allocation adopted by DB and TB plans did not radically change in 2024 compared to the prior year. There was a continued shift from real estate to fixed income and infrastructure, which may be due to elevated yields and the uncertainty in the real estate markets amidst the recent rising interest rates, though at a more gradual rate than was seen in 2023 compared to 2022.

DB and TB Aggregate Assets on December 31 (\$Billions)



⁶ The asset allocation and cash/low analysis in this report excludes pension plans with assets of less than \$2.5 million, plans with 50 or fewer total DB members, and DC plans. Those plans are not required to provide a breakdown of cash flows nor asset mix information in their APR filing.



NON-INVESTMENT EXPENSES

The average expenses paid from pension plans, excluding custodial and investment management fees, are shown below.

Average Non-Investment Expenses per Member (\$)

Size of Plan Membership	DB Plans	TB Plans
Fewer than 1,000	\$908	\$421
1,000-4,999	\$243	\$261
5,000-9,999	\$154	\$171
10,000 or more	\$138	\$107

WINDUP EXPENSE ASSUMPTIONS

For each DB and TB plan that continued to be registered with BCFSa, the average windup expense that was assumed for the most recently filed AVR is shown below. This analysis excludes those plans for which the employer pays the fees.

Overall, the average wind-up expense assumption increased from the prior year. Since actual wind-up expenses often exceed the hypothetical wind-up assumptions, increased conservatism in the assumption appears appropriate.

Average Assumed Wind-up Expense

Plan Membership	Number of Plans	Average Expenses per Plan (\$)	Average Expenses per Member (\$)
Fewer than 100	57	99,800	2,585
100-499	39	265,700	1,113
500-999	8	765,900	920
1,000-4,999	29	981,100	418
5,000-9,999	6	1,327,800	186
10,000 or more	9	4,305,200	142



7. Resources

BCFSA pension regulatory statements and guidelines can be found on the BCFSA website under [Industry Resources/Pension Resources](#).

BCFSA also emails quarterly updates to pension administrators. If you are not yet on the mailing list, you may sign up by sending a request to pensions@bcfsa.ca.

We welcome questions and seek further opportunities to engage with stakeholders of B.C. pension plans.

NEW PENSION SUPERVISORY FRAMEWORK

In April 2025 BCFSA released its updated [Supervisory Framework for Pension Plans Registered in BC](#), replacing the regulatory framework that was introduced in May 2014. The updated framework provides an overview of the BCFSA approach to pension supervision and is consistent with the high-level principles of the [2021 BCFSA Supervisory Framework for Provincially Regulated Financial Institutions](#).

The modernized framework is designed for universal application across all plan types and sizes and aims to assist BCFSA achieve its objective of minimizing the risk of benefit loss for plan members and beneficiaries. It introduces a more forward-looking supervision approach that:

- focuses on early identification of the most significant risks;
- allocates supervisory resources to plans with the highest risk profile; and
- applies proportionate intervention as required.

This approach not only safeguards the interests of plan members but also enhances the overall stability and integrity of the pension system in B.C.



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