

# Employer pension plans (trusteed pension funds), first quarter 2022

Released at 8:30 a.m. Eastern time in *The Daily*, Wednesday, September 14, 2022

---

The first quarter saw the market value of assets held by Canadian trusteed pension funds drop \$65.6 billion to \$2.21 trillion, down 2.9% from the previous quarter. Year over year, the market value rose by 7.2%, or \$148 billion.

The five largest asset categories, which together account for more than 90% of the total market value of assets, showed mixed results. The top two categories fell, equities down 7.5% and bonds down 6.8%, while the remaining three rose, real estate up 6.0%, infrastructure up 3.9%, and other assets up 3.6%. The smaller asset categories posted mixed results, as follows: accounts receivable increased (+14.7%); other short-term funds increased (+17.8%); Government of Canada treasury bills increased (+19.1%); cash, deposits and guaranteed investment certificates decreased (-2.1%); accrued interest and dividends receivable increased (+1.0%); and life insurance annuities decreased (-13.9%).

Canadian bonds (-6.7%) and Canadian equities (-1.0%) fell in the first quarter, while year over year, Canadian bonds rose 3.7% and Canadian equities fell 1.5%.

Overall, domestic assets fell 1.9% in the first quarter and rose 4.6% year over year. Foreign assets dropped 5.6% in the first quarter, while still gaining 5.7% year over year.

## Net income drops in first quarter

The net income of Canadian trusteed pension funds fell by 53.2%, from \$56.5 billion in the fourth quarter to \$26.4 billion in the first quarter, and was also down 20.5% from a year earlier.

Total revenue fell 34.6% (-\$28.0 billion) to \$52.8 billion mainly because of the drop in non-contributions, which fell by \$25.2 billion in the quarter, or more specifically, net realized gains and losses, which showed a decrease of \$15.7 billion.

Year over year, total revenue was down 16.9% from \$63.6 billion.

Expenditures rose 8.6%, or \$2.1 billion, in the first quarter of 2022, with other disbursements and losses up \$3.3 billion, and pension payments out of funds dropped \$1.3 billion. Year over year, expenditures were down 13.0% (-\$3.9 billion), led by the other disbursements and losses category, which fell by \$3.3 billion.

Readers should keep in mind that data on revenues and expenditures in pensions routinely exhibit seasonal characteristics and should, therefore, approach quarterly changes with some caution.

## Domestic and foreign assets decline

The total value of domestic holdings fell \$18.2 billion (-1.9%) in the first quarter, but rose 4.6%, or \$41.5 billion, year over year.

The performance of domestic assets was heavily influenced by bonds, which fell \$35.0 billion (-6.7%). That decrease was partially offset by an increase in short-term investments, which rose \$10.2 billion (+12.9%), in the first quarter. Year over year, the rise in total value of domestic holdings was driven by two main categories, namely, bonds, which grew 3.7% (+\$17.4 billion), and real estate, which was up 15.7% (+\$17.6 billion).

Foreign assets posted a decrease of 5.6%, which translated to a \$59.4 billion drop from \$1.06 trillion. The two biggest asset classes, equities and bonds, fell by 9.4% (-\$67.5 billion) and 7.7% (-\$6.7 billion), respectively. This decrease was partially offset by the remaining categories, with real estate increasing by 6.3%, or \$7.3 billion; infrastructure adding 3.9%, or \$4.9 billion; and short-term investments rising 22.8%, or \$2.6 billion.

Year over year, foreign assets rose 5.7% to top \$1 trillion in the first quarter.



Assets of nationality unknown accounted for 11.5% of all assets at the end of the first quarter, up from 10.6% in the previous quarter and 9.8% from a year before.

## Both public and private sector funds decrease

The value of assets held by both public and private sector plans fell in the first quarter, with the public sector posting a 1.8%, or \$32.1 billion, decrease. Private sector holdings fell 6.7%, or \$33.5 billion. Year over year, public sector plans posted a 9.3% increase, significantly outperforming the private sector, which decreased by 0.2%.

The proportion of the total assets of the trustee pension funds held by the public sector has been steadily increasing, reaching 79% in the first quarter, up from 78.1% in the previous quarter. Public plans held 77.4% of the assets a year earlier.

**Table 1**  
**Trusteed pension funds: Market value of assets by type**

	Fourth quarter 2021	Fourth quarter 2021	First quarter 2022	First quarter 2022	Fourth quarter 2021 to first quarter 2022
	millions of dollars	% of total assets	millions of dollars	% of total assets	% change
<b>Total assets</b>	<b>2,274,875</b>	<b>100.0</b>	<b>2,209,304</b>	<b>100.0</b>	<b>-2.9</b>
Equities	924,667	40.6	855,105	38.7	-7.5
Bonds	612,698	26.9	571,008	25.8	-6.8
Infrastructure	165,965	7.3	172,470	7.8	3.9
Real estate	239,810	10.5	254,159	11.5	6.0
Short-term	90,400	4.0	103,186	4.7	14.1
Assets, nationality unknown	241,335	10.6	253,377	11.5	5.0

**Note(s):** The sum of individual categories may not always add up to the total as a result of rounding.

**Source(s):** Table 11-10-0085-01.

**Table 2**  
**Trusteed pension funds: Revenues and expenditures**

	Fourth quarter 2021	First quarter 2022	Fourth quarter 2021 to first quarter 2022
	millions of dollars		% change
<b>Total revenue</b>	<b>80,827</b>	<b>52,838</b>	<b>-34.6</b>
Revenue from contributions	16,017	13,221	-17.5
Investment income	20,059	15,452	-23.0
Net profit on sale of securities	37,316	21,594	-42.1
Miscellaneous revenue	7,435	2,572	-65.4
<b>Total expenditures</b>	<b>24,307</b>	<b>26,392</b>	<b>8.6</b>
Pension payments out of funds	16,301	14,982	-8.1
Cash withdrawals	1,690	2,022	19.6
Transfers to other pension plans	646	446	-31.0
Administration costs	2,608	2,585	-0.9
Other disbursements and losses	3,061	6,357	107.7
<b>Net income</b>	<b>56,520</b>	<b>26,446</b>	<b>-53.2</b>

**Source(s):** Table 11-10-0086-01.

### Note to readers

Starting in the first quarter of 2021, the survey was redesigned to collect additional variables and increase the number of pension funds covered quarterly.

The new design eases data collection for respondents and data interpretability for users by reflecting the format of financial statements more closely. It also allows for higher accuracy in certain variables, such as the share of assets invested abroad. Additional detail in the reporting categories also reduces the share of assets classified in the "other assets" category.

Previously, the quarterly survey included approximately the 150 largest trustee pension funds, and the remainder of the pension amounts was imputed based on the results of the biennial Census of Trustee Pension Funds. In the new design, the quarterly sample includes the top 250 trustee pension plans, equating to approximately 90% of the total value of all trustee pension assets, and the biennial Census of Trustee Pension Funds will no longer be conducted, resulting in reduced respondent burden. Therefore, the values reported in this release refer to the 250 largest pension plans and no longer include an estimate for the remainder of the trustee pension plan universe.

Tables 11-10-0076-01, 11-10-0077-01 and 11-10-0079-01 are now terminated. They have been archived and replaced by tables 11-10-0084-01, 11-10-0085-01 and 11-10-0086-01.

For the purposes of this survey, trustee pension funds include the assets of one or more registered pension plans: those held under a trust agreement, those held by a pension corporation or pension fund society, those administered under legislation by the Government of Canada or the government of a province of Canada, and those held by an insurance company for investment management only.

Pension funds held in total under an annuity insurance contract are excluded from the survey.

**Available tables: [11-10-0084-01](#) to [11-10-0086-01](#) .**

**Definitions, data sources and methods: survey number [2607](#).**

The [Income, pensions, spending and wealth](#) portal, which is accessible from the *Subjects* module of the Statistics Canada website, provides users with a single point of access to a wide variety of information related to revenue, pensions, spending and wealth.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)) or Media Relations ([statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca](mailto:statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca)).