FTR Now

Ontario Introduces Further Pension Reforms

Date: October 20, 2010

On October 19, 2010, the Ontario government introduced Bill 120, the *Securing Pension Benefits Now and for the Future Act, 2010*. As previously reported, these pension reforms are intended to build on the first phase of reforms, which were passed earlier this year.

The government has announced that the Bill 120 reforms would, if passed:

- require more sustainable funding of promised benefits and stronger funding standards for benefit improvements;
- provide a framework to permit more flexible funding rules for certain multi-employer pension plans and jointly sponsored pension plans;
- clarify pension surplus rules and provide a dispute resolution process to allow members, retirees and sponsors to reach agreements on how surplus should be allocated on wind up;
- with respect to the Pension Benefits Guarantee Fund, implement a strategy to build reserves, increase revenues, limit current exposure and reduce risk to taxpayers in the future; and
- further strengthen regulatory oversight and improve plan administration.

Hicks Morley's Pension & Benefits Practice Group is assessing Bill 120 carefully and will prepare a more detailed *FTR Now* that identifies the implications of this proposed legislation for your business. In the meantime, if you have any questions, please contact any member of the Hicks Morley Pension & Benefits Practice Group.

Also, for timely information regarding new legislative developments in this area, please visit or subscribe to our Legislative Blog.

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