

Human Resources Legislative Update

Long-Awaited Federal Pension Regulations Are Proposed

Date: September 22, 2014

On September 19, 2014, the [federal government released long-awaited regulations](#) for public comment that would, if adopted as drafted, implement significant reforms to the current framework governing federally regulated private pension plans. Investment-related reforms will also have implications for Ontario regulated pension plans, and for pension plans regulated by other provinces where such jurisdictions have adopted the federal pension investment rules.

The proposed amendments to the [Pension Benefits Standards Regulations, 1985](#) (the “[Proposed Regulations](#)”) would, among other matters:

- amend the rules applicable to the investment of pension funds;
- create a new “variable benefit” for pensioners of defined contribution (“DC”) plans. The existing framework for DC plans would be modified to permit annual pension fund withdrawals of variable amounts; and
- require administrators to meet enhanced disclosure obligations in respect of retirees and former plan members, including providing an updated annual statement, as currently required for active members.

A 30-day comment period will commence following the publication of the Proposed Regulations in the *Canada Gazette* on September 27, 2014.

We are in the process of reviewing the Proposed Regulations, and an *FTR Now* discussing their potential impact on employers and plan administrators will be available on [our website](#).