Human Resources Legislative Update

Ontario to Repeal ORPP Administration Corporation Act

Date: July 29, 2016

On July 28, 2016, the Ontario government announced its plans to repeal the <u>Ontario Retirement Pension Plan Administration</u> <u>Corporation Act, 2015</u> (Act) when the Legislature resumes sitting in the Fall, 2016.

The Act created the Ontario Retirement Pension Plan (ORPP) Administration Corporation to administer the ORPP, Ontario's stand-alone solution to address retirement security concerns for Ontarians. In June 2016, an agreement-in-principle was reached by the federal government, the territories and the provinces (except Quebec and Manitoba) to enhance the *Canada Pension Plan* (CPP) by increasing benefits over a period of time. Manitoba has since agreed to CPP reform. The agreement-in-principle is still awaiting ratification.

As stated in its news release, the Ontario government views CPP enhancement as the optimal way to close the retirement savings "gap." It is anticipated that once the CPP agreement is ratified, Ontario will move forward with repeal of other related ORPP legislation.

See our FTR Now of June 21, 2016 <u>CPP Expansion and the (Likely) Demise of Ontario's Provincial Pension Plan</u> for more details on the CPP enhancement.

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