Human Resources Legislative Update

Clarifying Pension Portability in Ontario for Retired Members

Date: January 10, 2017

With the publication of draft regulations to support recent amendments to the *Pension Benefits Act* (PBA), the PBA will soon expressly permit retired members to elect portability, where the plan permits.

On January 9, 2017, the Ontario government published draft amendments to the PBA Regulations that support the implementation of recent reforms to the PBA enacted by Bill 70, the *Building Ontario Up For Everyone Act (Budget Measures), 2016*. As we outlined in our prior *FTR Now*, the Bill 70 reforms – which have not yet been proclaimed in force – amended the PBA to expressly permit a pension plan to offer portability to retired members.

The draft regulations support implementation by updating references to portability to recognize the right of “retired members” to access such options, subject to plan language.

Stakeholder comments on the draft regulations are due by January 20, 2017.

No effective date has been established, however the regulatory posting confirms that section 42(12) of the PBA will become effective once the amendments to the regulations are adopted.

We continue to monitor this issue closely and will provide a further update when section 42(12) comes into force. For background information on Bill 70, please read our recent publication, Ontario’s Bill 70: *The New Face of Pension Regulation Revealed*.