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Ontario Proposes Significant Reforms to the *Pension Benefits Act* and other Employment-Related Statutes

Date: November 15, 2017

On November 14, 2017, the Ontario government introduced Bill 177, the *Stronger, Fairer Ontario Act (Budget Measures), 2017*, omnibus legislation supporting key reforms outlined in the *2017 Ontario Economic Outlook and Fiscal Review* (Fiscal Review), which was also released on that date.

Pension-Related Initiatives

Of particular interest to plan administrators, sponsors and employers, Bill 177 proposes to significantly reform the *Pension Benefits Act* (PBA) with respect to:

- permanent solvency funding relief, including rules respecting the provision of adverse deviations
- funding parameters for surplus withdrawal and contribution holidays
- additional rules governing target benefits and variable benefits
- requirements for funding and governance policies
- the establishment of a new registry for missing beneficiaries
- an administrator discharge respecting the purchase of pensions, deferred pensions or ancillary benefits from an insurance company
- improvements to Pension Benefits Guarantee Fund coverage
- multi-employer pension plan exemptions for payments on wind up of a pension plan
- rule-making authority of the Financial Services Regulatory Authority of Ontario.

Employment-Related Initiatives

In addition to the PBA amendments highlighted above, Bill 177, if passed, will make key amendments to the *Workplace Safety and Insurance Act, 1997*, the *Occupational Health and Safety Act* and the *Broader Public Sector Executive Compensation Act*.

Next Steps

We are in the process of reviewing the Bill 177 and the Fiscal Review in detail, and will be providing further updates and discussion of specific proposed changes to the PBA as well as to the employment-related statutes in the coming days. In the meantime, should you have any questions related to Bill 177, please contact your regular Hicks Morley lawyer.

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