

January 2017

Update: Federal Pooled Registered Pension Plan Legislation Amended to Recognize Ontario Legislation

We published a [bulletin](#) last November advising that Ontario's *Pooled Registered Pension Plans Act, 2015* and its Regulations had come into force.

The new legislation establishes the Pooled Registered Pension Plan ("PRPP") as another tool for Ontario workers – both employees and self-employed – to save for retirement. As a voluntary and relatively low-cost scheme, PRPPs may also be a helpful option for small and medium-sized businesses, for whom the operation of a full pension plan may be too onerous.

In passing its own PRPP legislation, Ontario signalled its intention to join the *Multilateral Agreement Respecting Pooled Registered Pension Plans and Voluntary Savings Plans* ("*Multilateral Agreement*"), a tool designed to ensure consistency in PRPP legislation (and Voluntary Savings Plan legislation in Quebec) across the country. Doing so is logical given that the *Multilateral Agreement's* members' PRPP legislation largely incorporates the federal PRPP Act and Regulations by reference. The *Multilateral Agreement's* members include British Columbia, Saskatchewan, Quebec, Nova Scotia and, now, Ontario.

To formally enter the *Multilateral Agreement*, Ontario required the federal government to [amend the federal PRPP Regulations](#) to

designate Ontario and the Ontario Superintendent of Financial Service (OSFI) as a having regulatory PRPP authority within Ontario jurisdiction. It formally did so in December, 2016.

As reflected in the federal government's Regulatory Impact Analysis Statement, the *Multilateral Agreement's* members hope that it will enable further streamlining of PRPP supervision, thereby better enabling the creation of larger, multi-jurisdictional PRPPs.

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[a cautionary note](#)

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