

UPDATE: FEDERAL POOLED REGISTERED PENSION PLAN LEGISLATION AMENDED TO RECOGNIZE ONTARIO LEGISLATION

Posted on January 18, 2017

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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.

by Kyle Lambert

A Cautionary Note

The foregoing provides only an overview and does not constitute legal advice. Readers are cautioned against making any decisions based on this material alone. Rather, specific legal advice should be obtained.

The logo for mcmillan, featuring the word "mcmillan" in a lowercase, sans-serif font. The "m" and "c" are in a dark red color, while the "m", "i", "l", "l", "a", and "n" are in a light blue color. The logo is positioned in the upper left corner of a banner image.

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