

Financial Services Commission of Ontario
Commission des services financiers de l'Ontario



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Announcements

New Minister of Finance Appointed

On June 26, 1995, Premier Mike Harris announced the appointment of the Honourable Ernie Eves as Deputy Premier, Minister of Finance and Government House Leader. As Minister of Finance, Mr. Eves will have responsibility for the *Pension Benefits Act* (the "PBA").

First elected to the Ontario Legislature in 1981 as the member for Parry Sound, Mr. Eves has practised law since 1972. He became partner in a Parry Sound law firm and was made Queen's Counsel in 1983. Mr. Eves' legislative experience includes having served as parliamentary assistant to the Ministers of Education and Colleges and Universities. He has also served as Provincial Secretary for Resources Development and, in 1985, was named Ontario's first Minister of Skills Development. After the 1985 provincial election, he was appointed Minister of Community and Social Services.

Other government experience includes: Chair of the Public Accounts Committee, Chief Opposition Whip, PC House Leader, a member of the Select Committee on Ontario in Confederation, a member of the Board of Internal Economy. While in Opposition, Mr. Eves held several posts as critic for the following portfolios: community and social services, colleges and universities, native affairs, health, intergovernmental affairs, northern development and the office of the attorney general.

Mr. Eves was born in Windsor in June, 1946 and moved to Parry Sound as a teenager. He is married and has two children.

Employer Convicted for Failure to Remit Contributions to the Pension Fund

On March 29, 1995, the Pension Commission of Ontario obtained convictions in the Ontario Court (Provincial Division) in the County of Peterborough against Pierce & Lyons Inc. and against Thomas Lyons, President.

The convictions, against the corporation under subsections 55(2)(a) and 110(3) of the *Pension Benefits Act* R.S.O. 1990,

chapter P.8 and against the individual under subsection 110(3), were the result of the employer's failure to remit funds to the pension plan as required by the Act. The plan was contributory and during the period from October 1, 1991 to July 31, 1992 neither employer nor employee contributions were remitted to the pension fund in spite of the fact that the latter had been deducted from the compensation of the plan members.

As part of the conviction, the employer was required to remit all outstanding employer and employee contributions plus interest.

7 Digit Plan Registration Number and Former PCO Registration Number to be Used During Transition

Where the *PBA* and Regulations refer to the "provincial registration number" it should now be taken to mean the "new" seven digit plan registration number.

However, for a transition period of about one year, plan administrators and consultants are requested to use the new seven digit plan registration number and the former PCO provincial registration number on all pension plan related documents. Quoting both numbers on statements, notices, correspondence, documents relating to the operation of the pension plan and applications, submissions and filings for example, will be helpful to all stakeholders including regulators and members.

We recommend that documents use the seven digit plan number followed by the former provincial registration number in parenthesis.

Authority for Minister's Forms

O. Reg. 73/95 revoked the use of prescribed forms 1 and 1.1 after June 30 and provided for the substitution of new forms. Subsections 83(1) and (1.1) of the Regulations provide that an application for registration of a pension plan, and an application for registration of a plan amendment "shall be in a form approved by the Minister and provided by the Superintendent, if made to the Superintendent on or after July 1, 1995".

The Minister approved such new forms in March, 1995. The application for registration of a pension plan is referred to as Form 1 and is catalogued as R500-202. The application for registration of a plan amendment is referred to as Form 1.1 and is catalogued as R500-252. Both forms are available on the BBS.

Reminder - New Forms 1 and 1.1 Effective on and after July 1, 1995

Effective on and after July 1, 1995, all applications for registration of a pension plan and for registration of plan amendments must be filed with the new forms prescribed by the Minister of Finance as described in the preceding announcement. Applications for registration of a pension plan or plan amendments filed after July 1, 1995, which do not use the new forms will not be processed.

Administrators are also reminded that applications filed that are deficient in any respect for instance, incomplete or not certified, will not be processed.

Joint AIR - Agreement Between Revenue Canada and the PCO Now Effective

Effective April 1, 1995, an agreement was made among the Ministry of National Revenue, the Ontario Ministry of Finance and the Pension Commission of Ontario to put in place a system for processing the single annual information return which may now be filed by administrators of pension plans with fiscal years ending on or after March 31, 1995.

The joint form enables administrators to fulfil the AIR filing requirements for both Revenue Canada and the Pension Commission of Ontario.

Designated Plans - July 1, 1995 Filing Deadline for Maximum Funding Valuations

O. Reg. 73/95 took effect on February 23, 1995. A major purpose of the Regulation was to resolve a conflict between the *Pension Benefits Act* and the *Income Tax Act (Canada)* (the "ITA") regarding the funding of designated plans. This objective was achieved by exempting designated plans from the funding requirements of the PBA with respect to contributions that are not "eligible contributions" as defined in the Regulations under the ITA.

Subsection 14.1 of the Regulations establishes a new reporting requirement. In most cases however, additional filings will not be required. For more information about the new requirements for designated plans, please refer to the article on page 39. (Index no. F800-025)

This announcement and the article on page 39 were uploaded to the PCO Conference on the BBS on June 15, 1995. All registered and prospective BBS subscribers were notified of the upload by fax. Actuarial consulting firms were also reminded of the deadline by fax.

PCO Staff Comment: The PCO Conference on the BBS is no longer operational.