

Tax

	1% Minimum Contribution Rule	Period of Reduced Services	Useful Links
Registered Plans Directorate	<p>Ordinarily, pursuant to paragraph 8506(2)(a) of the <i>Income Tax Regulations</i> (Canada) a money purchase (MP) or defined contribution (DC) provision must have terms that require employers to contribute at least 1% of the total pensionable earnings of all active members participating under the provision each year. The minimum contribution rule applies only to a MP/DC provision of a registered pension plan in which members' benefits are provided exclusively on a MP/DC basis.</p> <p>In light of the COVID-19 pandemic, the Minister of National Revenue will waive the 1% rule for the remainder of 2020 if the plan is amended to suspend contributions under the plan for the year, meaning that there will be no employer or employee contributions made to the plan or provision following the plan amendment.</p> <p>This measure only applies for the remainder of 2020 for plans that submit an amendment to the Registered Plans Directorate.</p>	<p>Pursuant to subsection 8308(4) of the <i>Income Tax Regulations</i> (Canada), a member of a defined benefit provision of a pension plan may be permitted the option to elect to have the eligible period of reduced pay credited as pensionable service under the plan, provided the election occurs by April 30th of the year following the year in which an eligible period of reduced pay ends.</p> <p>Similar rules apply under subsections 8308(5) and (6) of the <i>Income Tax Regulations</i> (Canada) for eligible periods of reduced pay under MP/DC provisions. When any of these Regulations apply, plan members can have the period recognized on a current service basis, so that employers can report the period by way of a pension adjustment (PA) rather than a past-service pension adjustment (PSPA).</p> <p>In light of the COVID-19 pandemic, the Department of Finance is proposing to extend the April 30, 2020 deadline to June 1, 2020, or a later date acceptable to the Minister of National Revenue, for eligible periods of reduced pay that ended in 2019.</p> <p>In accordance with the longstanding practice of the Canada Revenue Agency, the Registered Plans Directorate will allow plan sponsors and administrators to act on the proposed tax measures on the assumption that the legislation for these measures will be enacted. Plan members are permitted to make elections for 2019, subject to applicable plan terms, on or before June 1, 2020.</p>	<p>Registered Pension Plans (RPPs) -</p> <p>https://www.canada.ca/en/revenue-agency/services/tax/registered-plans-administrators/whats-new.html?utm_source=registered_plans&utm_medium=eml#rpp</p> <p>Newsletter no. 91-4R, Registration Rules for Money Purchase Provisions</p> <p>https://www.canada.ca/en/revenue-agency/services/tax/registered-plans-administrators/newsletters-technical-manual/no-91-4r.html</p>

Pension Standards

Jurisdiction	Extensions to Filing & Disclosure Requirements	Commuted Value Transfers/Restrictions on Transfers	Defined Benefit (DB) Funding & Defined Contribution (DC) Contribution Relief	Electronic Communication & Electronic Signatures	Useful Links
Federal¹	<p>Extension of three months: applies to deadlines for certain actions and annual filing requirements, such as filing of annual information returns, certified financial statements, actuarial reports and annual statements.</p> <p>OSFI will issue an invoice for the annual assessment after the extended deadline for AIRs.</p>	<p>Effective March 27, 2020, administrators of DB provisions of pension plans are directed to place a full freeze on portability transfers and annuity purchases (including those involving the wind-up of a plan after the approval of the termination report). Any amounts that were still in the pension fund on that date are subject to the portability freeze.</p> <p>Effective May 7, subject to certain conditions, automatic consent is provided respecting portability transfers to locked-in vehicles for members who are within 10 years of pensionable age (i.e., those eligible for early retirement).</p>	<p><i>DB Funding:</i> Effective May 27, 2020, the Solvency Special Payments Relief Regulations, 2020, establish a moratorium on solvency special payments that become due during the period beginning on April 1, 2020 and ending on December 30, 2020. The regulations provide funding relief to plan sponsors whose pension plans have a solvency deficiency, and who are normally required to make monthly payments to fund the deficiency and/or address their obligations through the use of letters of credit.</p> <p>From May 27, 2020 until December 30, 2020, the amounts of any solvency special payments that become due are to be reduced to zero and will not become due after December 30, 2020 once the moratorium is lifted. The amounts of any solvency special payments made from April 1st until May 27th may be deducted from the plan's required current service (or normal cost) contributions and/or going concern special payments in the period beginning on May 27, 2020</p>	<p>Subsection 31.1(1) of the <i>Pension Benefits Standards Act, 1985</i> permits information, including required written statements and explanations, to be communicated by way of an electronic document, provided that certain requirements are met.</p> <p>The use of electronic signatures is permitted if: (1) the signature resulting from the use by the person of the technology or process is unique to them; (2) the technology or process is used by the person to incorporate, attach or associate their signature to the electronic document; and (3) the technology or process can be used to identify its user.</p>	<p>Office of the Superintendent of Financial Institutions (OSFI): https://www.osfi-bsif.gc.ca/Eng/pp-rr/Pages/default.aspx</p> <p>COVID-19 measures: https://www.osfi-bsif.gc.ca/Eng/pp-rr/ppa-rra/Pages/Pen20200327_1et.aspx</p> <p>https://www.osfi-bsif.gc.ca/Eng/pp-rr/Pages/PenFAQ_Cov.aspx</p> <p><i>Solvency Special Payments Relief Regulations, 2020:</i></p> <p>https://www.canada.ca/en/department-finance/news/2020/05/government-announces-coming-into-force-of-regulations-providing-relief-to-federally-regulated-pension-plan-sponsors.html</p> <p>https://www.osfi-bsif.gc.ca/Eng/wn-qn/Pages/pen20200528nr.aspx</p>

¹ OSFI has also suspended a number of consultation initiatives and policy development work related to new or revised guidance until conditions stabilize.

			<p>and ending on December 30, 2020.</p> <p><i>DC Contributions:</i> No relief measures announced – However, there is no prohibition under the <i>Pension Benefits Standards Act, 1985</i> or its regulations from reducing the level of contributions to a DC plan on a go forward bases as a result of a pension plan amendment. However, these amendments cannot be made retroactively and employers should consider restrictions under collective agreements and labour and employment law before proceeding with a reduction.</p>		
Ontario²	<p>On June 18, 2020, Ontario filed Regulation 287/20 and Regulation 288/20³, which amended Regulation 909 and Regulation 310/13 respectively. The regulation changes provide extensions to deadlines for certain filings - such as, annual information returns, financial statements and valuation reports, and extensions to deadlines for issuing certain member notices and statements. Plan administrators can request an extension of up to 60 days beyond prescribed timelines. Regulation 287/20 requires administrators to provide notice to FSRA in advance of when statements would otherwise have been required that statements will be delayed.⁴</p>	<p>When a pension plan's transfer ratio (TR) has declined by 10% or more and the resulting TR is below 0.9 (as described in s. 19(4) or (5) of the Regulation), the plan administrator must cease to transfer commuted values (CVs). The administrator (or its advisor) should explain the reasons for taking this approach and the factors that were considered (for example, infrequent terminations, liquidity considerations, balancing the interests of all plan beneficiaries, financial conditions of participating employers, etc.). In addition, the administrator should indicate: (i) how long the cessation of CV transfers is expected to continue, (ii) what communication is being made to plan beneficiaries, and (iii)</p>	<p><i>DB Funding:</i> No relief measures announced.</p> <p><i>DC Contributions:</i> No relief measures announced. However, to the extent that member contributions are optional, members can choose to reduce or eliminate those optional contributions in accordance with plan rules—and any matching employer contributions will then be reduced accordingly.</p> <p>Employers cannot simply stop making required contributions to DC pension plans that they participate in. Any change to employer or member-required contributions can only be on a go-forward basis and must</p>	<p>Plan administrators and their advisors are expected to understand the requirements of the <i>Pension Benefits Act</i> (PBA) as it relates to electronic communications. FSRA has no discretion over these requirements, and administrators should refer to the guidance provided by FSRA to sending notices outside of prescribed timelines. The filing of "certified copy" of a document, such as a plan amendment, can be made through the FSRA's Pension Services Portal and via email to the Pension Office for the plan.</p>	<p>Financial Services Regulatory Authority of Ontario (FSRA): https://www.fsrao.ca/</p> <p>COVID-19 news: https://www.fsrao.ca/fsra-covid-19-updates#top</p> <p>Pension Sector Emergency Management Response (Information No. PE0204INF)- https://www.fsrao.ca/industry/pension-sector/guidance/pension-sector-emergency-management-response-1#q11</p> <p>Ontario Regulation 187/20:</p>

² All pending transactions filed with FSRA such as pension asset transfers or wind up applications, will continue to be reviewed, although some delay is expected due to the current disruptions.

³ Many provisions of Reg. 287/20 and Reg. 288/20 are effective on June 18, 2020 or some period relative to that date.

⁴ See Q11 at <https://www.fsrao.ca/industry/pension-sector/guidance/pension-sector-emergency-management-response-1#q11> for a short summary of the new extensions to certain filing deadlines.

<p>Provided pension plan administrators have advised FSRA of the challenges they are experiencing and have set out reasonable proposed plan of action, administrative monetary penalties will not be levied with respect to late member communications that are due prior to September 1, 2020, or as otherwise agreed with a plan administrator or their agent.</p> <p>In preparing an actuarial valuation report, FSRA considers the market shock to be a subsequent event that provides additional information about the pension plan, because the shock impacts the outlook for the funded status of the plan for a significant period following this event. FSRA expects disclosures as to the Impact on the funded status, including going concern, solvency, and wind up bases as well as the solvency and transfer ratios and impact on the required contributions to the pension plan in respect of the normal cost, going-concern and solvency special payments to be included in the valuation report based on any plausible adverse scenarios.</p> <p>Employers who submit late PBGF assessments that are due between April 30, 2020 and December 31, 2020 will be subject to 3% interest plus the chartered banks' rate on prime business loans as of the date the amount is due, on the condition that the employer pays the amount that is due to the PBGF with interest on or before December 31, 2020. (Ontario Regulation 187/20).⁵</p>	<p>what steps are being taken to return to a situation where CV transfers can be made. FSRA may request additional information. (FSRA's Approach Guidance No. PE0202APP)</p> <p>For administrators who wish to purchase annuities pursuant to section 43 of the PBA, if section 19(4) or (5) of the Regulation apply, a Form 10 must be filed and the approval of FSRA must be received. FSRA will generally require employer(s) to contribute the full amount of any deficiency (based on the updated TR) before the purchase can be made.</p>	<p>be supported by an amendment to the plan text.</p>	<p>In certain situations where individuals cannot get a witness to sign required forms in the physical presence of a relevant person, FSRA has advised that it will not object to institutions and administrators proceeding without a witness for these forms while businesses are operating under COVID-19 pandemic conditions, as long as there is no evidence on record that the person(s) signing the forms does not understand what they are signing.</p>	<p>https://www.ontario.ca/laws/regulation/r20187</p> <p>FSRA's Approach Guidance No. PE0202APP: https://www.fsrao.ca/industry/pension-sector/guidance/limitations-commuted-value-transfers-and-annuity-purchases-db-pension-plans#note18</p>
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⁵ Otherwise, where a PBGF assessment is not paid on time pursuant to section 37 of Regulation 909 under the PBA (i.e., 9 months after the pension plan's fiscal year end), the employer will be required to pay 120 per cent of the past due amount, together with interest at the chartered banks' rate on prime business loans as of the date the amount is due plus 3 per cent.

**British
Columbia**

Extension of 60 days is granted to pension plans required to provide members with annual statements and required to file their Annual Information Return and Financial Statements, between March 30, 2020, and December 29, 2020.

For pension plans, other than collectively bargained multi-employer plans (CBMEPs), the prescribed timeline for the delivery of termination of active membership statements remains unchanged (i.e., within 60 days after a member's termination). However, an administrator of a non-CBMEP may seek an extension for delivery of these statements upon application to the Superintendent detailing appropriate reasons for the application.

For pension plans that are CBMEPs, the prescribed timeline for delivery of termination of active membership statements is 90 days after a member's termination. For such plans that have a March 30, 2020 deadline, the relief measures provide a 30-day extension.

The deadline for the filing of actuarial valuation reports is extended by 90 days for reports with a review date of December 31, 2019, and/or a due date in 2020.

An administrator of a pension plan must not, without the consent of, or without being directed to do so by the Superintendent, transfer assets out of the pension fund, if such transfer would impair the solvency of the plan. It is the administrator's responsibility to determine whether a transfer would impair the solvency of the plan and restrict lump-sum transfers, where appropriate.

DB Funding: Extensions to the amortization periods for unfunded liabilities and/or solvency deficiencies are subject to approval from the Superintendent of Pensions. Administrators wishing to extend the deadline must make an application, in writing, to the Superintendent.

DC Contributions: No relief measures announced. However, a plan administrator may reduce the level of employer or employee contributions to a defined contribution plan by filing a pension plan amendment. These amendments cannot be retroactive.

During the COVID-19 pandemic period, contributions must be made based on earnings that reflect employees' current work schedule and in accordance with the plan text document.

BC Financial Services Authority:
https://www.bcfsa.ca/index.aspx?p=pension_plans/index

https://www.bcfsa.ca/index.aspx?p=consumer_news/latest_news

Alberta	<p>Extension of 180 days for all pension plans—applicable to Annual Information Returns and associated Annual Fees, Audited Financial Statements, and/or Actuarial Valuation Reports and Cost Certificates, and required to issue annual statements to active or retired members, due between March 31 and prior to July 1, 2020.</p> <p>Extension of 90 days to issue a plan summary or member-driven event disclosure statements that are due between March 31 and prior to July 1, 2020.</p> <p>Extension of 60 days for a witness signature on a pension partner (spousal) waiver form. Plan administrators, may pay benefits even if the witness statement on the waiver is not signed for up to 60 days. If the fully executed waiver is not received within 60 days, the administrator must adjust benefits as if the member had not selected the option requiring the waiver form.⁶</p>	<p>Plan administrators are reminded that they must not transfer assets out of the pension fund, without the consent of, or without being directed to do so by, the Superintendent, if such transfer would impair the solvency of the plan.</p>	<p>DB Funding: On June 24, 2020, Reg. 96/2020 (Regulation) amended the <i>Employment Pension Plans Regulation</i> (EPPR), to permit a temporary suspension of unfunded liability and solvency deficiency payments (special payments) until the end of 2020 for DB or target benefit pension plans. Any experience losses attributable to fewer contributions remitted to the plan fund than expected, as a result of a successful application for funding relief, must be identified in the next actuarial valuation report of the plan and must be amortized over a period not exceeding 15 years.</p> <p>The EPPR is also amended to permit (i) an exemption from the application of the Provision for Adverse Deviation (PfAD) on contributions until the end of 2020 for collectively bargained multi-employer plans (CBMEP), which must include a PfAD when funding benefits, and (ii) an increase to the limit of funding excess to reduce or eliminate contributions for a single fiscal year of the plan. Currently, DB plans which are more than 105% funded on a going concern basis can use funding excess, referred in the Regulation as “accessible going concern excess”, to</p>	<p>On June 24, 2020, Reg. 96/2020 amended the EPPR to provide clear authority that a statement, notice, document, or other record or information required or permitted under the <i>Employment Pension Plans Act</i> or its regulations may be provided, sent, delivered, or filed by electronic means in accordance with Alberta’s <i>Electronic Transactions Act</i>. This does not, however, apply to the designation of beneficiaries.</p> <p>Authority granted to use electronic documents and records is a permanent change. Hard copies are still required to be available upon request.</p>	<p>Pension Regulator: https://www.alberta.ca/pensions.aspx</p> <p>COVID-19 news: https://www.alberta.ca/about-pensions-news-links.aspx</p>
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⁶ This change has been adopted by order of the President of Treasury Board and Minister of Finance, exercising authority granted under section 52.1 of the Public Health Act (Relief Order), and remains in effect until the earlier of the following: (i) the date the Relief Order is terminated, or (ii) 60 days after Order in Council 080/2020, declaring a state of public health emergency in Alberta, lapses.

			<p>reduce or eliminate current service contributions.⁷</p> <p>To access temporary relief, plan administrators must first apply to, and obtain consent from, the Superintendent of Pensions. Approval may be retroactive, but cannot begin any earlier than the day these new provisions come into force. An application must confirm that no benefit improvements will be made to the plan while participating in the relief. Additionally, the estimated financial position of the plan (going concern and solvency) as of the date of application, as well as the rationale for seeking funding relief must be included.</p> <p>Extensions to the amortization periods for unfunded liabilities and/or solvency deficiencies, as well as the deadline for the remittance of employer and employee contributions should be discussed on a case-by-case basis with the superintendent's office. See also the comments below, under the DC Contributions heading, respecting notices of changes that reduce member-required contributions.</p> <p><i>DC Contributions:</i> No relief measures announced – However, a plan administrator may reduce the level of employee and/or employer contributions to a defined contribution plan by filing a pension plan amendment. These</p>		
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⁷ The use of accessible going concern excess which is usually subject to the restriction that not more than 20% of the excess can be used in a given fiscal year has been temporarily increased to 40% for a single fiscal year of the plan.

			<p>amendments cannot be retroactive.</p> <p>Normally, 30 days advance notice to members would be required in respect of an amendment that reduces member-required contributions (other than for jointly sponsored pension plans). Temporarily, this requirement is changed to instead require notice of the change be issued within 60 days after implementation (<i>i.e.</i>, advance notice of the change to members is not required).⁸</p>		
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⁸ See note 5, above.

Saskatchewan	Extension of three months—applicable to pension plans that are required to file an Annual Information Return and provide members with Annual Statements, between March 31 and July 31, 2020. Plan administrators are expected to notify the plan members of the extension.	Given the current financial market conditions, transfers or payments from defined benefit plans would impair the solvency of pension funds. Administrators must obtain the prior written consent of the Superintendent of Pensions (the Superintendent) to transfer monies or make payments out of defined benefit plans. ⁹	<p><i>DB Funding:</i> No relief measures announced.</p> <p><i>DC Contributions:</i> No relief measures announced. - However, to the extent that member contributions are optional, members can choose to reduce or eliminate those optional contributions in accordance with plan rules – and any matching employer contributions will then be reduced accordingly.</p> <p>Employers cannot simply stop making required contributions to DC pension plans that they participate in. As a temporary measure, a plan amendment to suspend employer contributions would be allowed, where (1) an amendment filed provides that both employer and member contributions are suspended, (2) the amendment is on a go-forward basis only, and (3) the amendment must set out the time period for the suspension. (ending no later than December 31, 2020)</p>		<p>Financial and Consumer Affairs Authority: https://fcaa.gov.sk.ca/regulated-businesses-persons/businesses/pension-plans</p> <p>COVID-19 news: https://fcaa.gov.sk.ca/whats-new/alerts/covid-19-alert</p>
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⁹ The freeze affects all life annuity purchases from a defined benefit plan. This includes individual purchases, group purchases and buy-out annuity purchases. The freeze does not, however, affect payment of pensions directly from pension plans.

Manitoba	Extension of 2 months applicable to the filing deadline for annual information returns.	<p>Given the current financial market conditions, If a plan administrator becomes aware that the pension plan's solvency position has declined since the last filed actuarial valuation report, in doing its due diligence the administrator should take the necessary steps to assess whether further transfers based on the solvency ratio as of the last filed valuation or cost certificate would impair, or further impair, the solvency of the plan.¹⁰</p> <p>Plan administrators may elect to have a plan reviewed prior to the statutorily required review date.</p>	<p><i>DB Funding:</i> [No relief measures announced.]</p> <p><i>DC Contributions:</i> [No relief measures announced. See above for other regulator guidance respecting DC plan amendments.]</p>	<p>Section 3.30 of the <i>Pension Benefits Regulation</i> ("Regulation") provides that except as otherwise provided in the Regulation or the terms of a plan, any information or document to be provided by an administrator to a member or other beneficiary of a plan, or to a current or former spouse or common-law partner of a member, may be (a) sent by ordinary mail to the person at his or her last address known to the administrator; (b) sent by e-mail to the person; or (c) provided in another manner that has been approved by the superintendent.</p> <p>Section 3.25 of the Regulation permits information (such as, annual information returns, pension plan texts, actuarial valuation reports, financial statements) to be filed with the commission or the superintendent to be filed electronically if it is filed in a form and manner approved by the superintendent.</p>	Pension Regulator - https://www.gov.mb.ca/finance/pension/
Nova Scotia	Extension to August 31, 2020 – applicable to Annual Information Returns and Audited Financial Statements that were due between March 31 and June 30, 2020.		<p><i>DB Funding:</i> No relief measures announced.</p> <p><i>DC Contributions:</i> No relief measures announced. See above for other regulator guidance respecting DC plan amendments.</p>		<p>Finance and Treasury Board: https://www.novascotia.ca/finance/en/home/pensions/default.aspx</p> <p>COVID-19 news: https://www.novascotia.ca/finance/en/home/pensions/notices.aspx</p>

¹⁰ See Bulletin #7 on Determination and Transfer of Commuted Values.

<p>Québec</p>	<p>Extension of three months—applicable to deadlines for filing and providing certain documents members, including annual statement for members and beneficiaries, actuarial valuation reports, annual information return and financial reports.</p> <p>The extension applies to all the deadlines that had not expired by March 12, 2020, but which would have expired in 2020.</p> <p>Note, the deadline for sending a statement following cessation of active membership and the deadline for filing a transfer application have not been extended.</p>	<p>All payments (transfers and refunds) between April 17, 2020, and December 31, 2020, must take into account a degree of solvency that reflects the plans' current financial situation (i.e., degree of solvency updated on the last working day of the month preceding the date on which the value of the member's benefits was determined).</p> <p>The date used to calculate the value of the member's benefits is, most often, the date on which a person ended his or her active membership in a plan, the date of the transfer request for the value of the benefits or the date on which the person dies.</p> <p>However, if the date on which the value is determined is prior to April 1, 2020, the degree of solvency must be determined based on the plan's estimated financial situation as at March 31, 2020.</p>	<p><i>DB Funding:</i> No relief measures announced.</p> <p><i>DC Contributions:</i> Despite the current situation, deadlines for making payments into the pension fund (every month) and for notifying Retraite Québec of any unpaid contribution (within 60 days after it becomes due) have not been extended.</p> <p>No relief measures announced. See above for other regulator guidance respecting DC plan amendments.</p>		<p>Retraite Québec: https://www.retraitequebec.gouv.qc.ca/en/Pages/accueil.aspx</p> <p>COVID-19 news: https://www.retraitequebec.gouv.qc.ca/en/actualites/2020/Pages/liste-nouvelles.aspx</p>
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New Brunswick	<p>A 90-day extension has been granted for filing any Annual Information Returns and providing annual written statements to members, due prior to June 30, 2020.</p> <p>The time limit for filing any Actuarial Valuation Reports and Cost Certificates due to be filed prior to 30 September 2020 is extended by 90 days.</p>	<p>A recalculation of the transfer ratio or termination value funded ratio is required prior to the transfer of commuted values or transfer values from pension plans. The Superintendent has deemed it reasonable for pension plan administrators to monitor and, if necessary recalculate, these ratios on a quarterly basis.</p>	<p><i>DB Funding:</i> No relief measures announced.</p> <p><i>DC Contributions:</i> To the extent that member contributions are optional, members can choose to reduce or eliminate those optional contributions in accordance with plan rules – and any matching employer contributions will then be reduced accordingly.</p> <p>Employers cannot simply stop making required contributions to DC pension plans. Any change to employer or member-required contributions can only be on a go-forward basis and must be supported by an amendment to the plan text. If an employer would like to suspend contributions for the remainder of 2020, it can be done by filing a plan amendment on a go-forward bases.</p>		<p>Financial and Consumer Services Commission: https://fcnb.ca/en/personal-finance/pension-administrators</p> <p>COVID-19 news: https://fcnb.ca/en/covid-19-update</p>
Newfoundland Labrador	<p>An automatic extension to September 30, 2020 – applicable to Annual Information Returns that were/ are due between March 31 and August 31, 2020.</p> <p>Note, this extension does not apply to an Annual Information Return required on plan termination, which must be filed within 3 months of the wind-up date</p>		<p><i>DB Funding:</i> No relief measures announced.</p> <p><i>DC Contributions:</i> No relief measures announced. See above for other regulator guidance respecting DC plan amendments.</p>		<p>Pensions and COVID-19 news: https://www.gov.nl.ca/snl/pensions/</p>