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Announcements

Federal-Provincial Agreement Expected to Streamline Regulatory Framework

The Ontario Ministry of Finance, the federal Ministry of National Revenue and the Pension Commission of Ontario are expected to sign an agreement by March 31, 1995 which would reduce administrators' costs and paperwork needed to comply with federal and provincial annual information requirements.

The agreement, which creates a single annual information return ("AIR") to replace separate returns which had been required previously, is expected to improve regulation of pension plans, service to plan administrators and efficiency generally. The joint AIR is effective on and after March 31, 1995.

Pension plans will begin using the new return on their fiscal year end date occurring on or after March 31, 1995. The filing deadline is nine months after the fiscal year end date for pension plans with defined benefits and six months after the fiscal year end date for all other plans.

Other efforts have been made to harmonize requirements. Revenue Canada will amend its filing deadline to correspond to Ontario's dates which are based on the pension plan's fiscal year end. This means that administrators will be able to maintain a single set of books.

Ontario will phase out use of provincial registration numbers on April 1, 1995 and adopt Revenue Canada's seven digit registration number to identify registered pension plans.

Pension Plans Known Only By the Seven Digit Revenue Canada Registration Number

Administrators are reminded that on April 1, 1995 the provincial registration number will not be used for pension plan identification purposes. Please ensure that the seven digit registration number is used in all documentation and correspondence with the PCO.

Supplement to the Spring Issue of the *PCO Bulletin*

A supplement containing all prescribed forms, including specimen samples and instructions for the joint AIR and the PBGF Assessment Certificate, has been developed and is being distributed along with this issue of the *PCO Bulletin* to everyone on the PCO's mailing list.

All prescribed forms have been revised or reworked recently to improve compliance rates and efficiency generally. Because of the nature and extent of the changes to Forms 1, 1.1 and 2, and because of the creation of a new prescribed form, the PBGF Assessment Certificate, a supplement seemed to be an effective way to present the new forms to pension stakeholders.

The supplement is intended to provide Administrators with master proofs of all prescribed forms. As such, we encourage duplication of Forms 1, 1.1, 3, 4 and the IPR by photocopier to meet compliance requirements. Individually addressed AIRs and the PBGF Assessment Certificates will be sent to administrators by mail after the fiscal year end date of the pension plan.

Deadlines for the Submission of Applications to the Commission - 1995 Update

Anyone making submissions for consideration by the tribunal at its monthly meetings should be aware that deadlines for submitting applications to staff have been established. These deadlines are meant to ensure that staff and members of the Commission have adequate time before the meeting to review the applications.

Although, applications will be dealt with as quickly as possible upon receipt, it is not possible to assure that applications will be considered by the Commission if they do not meet the deadlines indicated below. Furthermore, delays will result if applications are not complete when reviewed by staff.

The Pension Commission convenes on the following Thursdays in 1995 and the deadline for the submission of applications is generally three months prior to the date of the meeting:

Commission Meetings

March 30, 1995
April 27, 1995
May 25, 1995
June 29, 1995
July 27, 1995
September 28, 1995
October 26, 1995
November 23, 1995
December 14, 1995

Submissions Deadlines

was mid December, 1994
was January 26, 1995
was February 23, 1995
was March 30, 1995
April 27, 1995
June 29, 1995
July 27, 1995
August 24, 1995
September 14, 1995

Correction to Error

Otis Decision - November 17, 1994

In the Winter 1995 issue there is a typo on page 60 concerning the Otis matter. The date of the decision of the Commission in respect of an application by Otis Canada Inc. should read November 17, 1994.

Designated Pension Plans to Notify PCO of Their Status

Before February 23, 1995, designated pension plans were known as such only to Revenue Canada because of the definition in the Regulations under the *IncomeTax Act* (Canada).

Effective February 23, 1995 the Regulations were amended to exempt designated plans from the *Pension Benefits Act* funding requirements to the extent that contributions exceed the maximums permitted by income tax rules. For fiscal year ending dates after March 31, 1995, designated plans will no longer be required to pay Pension Benefits Guarantee Fund (PBGF) assessments, and PBGF coverage will cease to apply.

Until now, there has been no need for PCO records to identify pension plans as designated plans. Since the definition now exists in both tax and Ontario pension law, it is necessary to update PCO records.

PBGF Assessment certificates are routinely sent to administrators of all applicable pension plans. Until the PCO is advised by the administrator that a pension plan is a designated plan, the PCO will continue to mail PBGF assessment certificates.

Please mail or fax a one page letter to the Pension Officer or Analyst indicating the name(s) and the seven-digit (Revenue Canada) registration number(s) of the designated plans.