

e-BULLETIN

November 17, 2011

FEDERAL GOVERNMENT ANNOUNCES THE *POOLED REGISTERED PENSION PLANS ACT*

The Federal Government introduced the [Pooled Registered Pension Plans Act](#) in Parliament today. The Act provides a legal framework at the federal level for the establishment and administration of pooled registered pension plans (PRPPs). PRPPs are a new pension option that will be available to employees and self-employed persons, with the intended benefit that funds will be pooled to achieve lower investment and administration costs. Legislation will need to be introduced at the provincial level before PRPPs are operational, and regulations and related tax rules governing PRPPs must first be developed before the plans can be launched.

We will continue to monitor the development of this legislation and provide further commentary as the details emerge.

NEW CAPSA GUIDELINES RELEASED

The Canadian Association of Pension Supervisory Authorities (CAPSA) has released the final versions of two new guidelines and a related self-assessment questionnaire. The guidelines and questionnaire replace the draft versions released in March 2011. Although the guidelines are not legally binding, it is important that pension plan administrators are aware of their content and implications.

- [CAPSA Guideline No. 6 - Pension Plan Prudent Investment Practices Guideline](#) sets out the goals, processes, and responsibilities of plan administrators in the context of investment of plan assets. Guideline No. 6 will be of interest to administrators of all plan types.
- Related to Guideline No. 6, the [Self-Assessment Questionnaire on Prudent Investment Practices](#) is intended to assist plan administrators in their review of investment practices and aims to identify areas that require additional analysis and/or improvement.
- [CAPSA Guideline No. 7 - Pension Plan Funding Policy Guideline](#) provides guidance to administrators of defined benefit plans in the development and implementation of funding policies.

For additional information, including a letter to stakeholders and stakeholder submissions, please refer to the [CAPSA website](#).

To discuss the *Pooled Registered Pension Plans Act* or the new CAPSA guidelines, please contact a member of the Spectrum HR Law LLP Pensions, Employment Benefits, and Executive Compensation practice group:

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