

## RADAR

January 11, 2024



### Message From the Editor

- This week we would like to highlight the publication of Aon's [Canadian Benefits Guide 2024](#).

### GENERAL

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#### Ontario – Employment Standards

On January 9, 2024, the Ministry of Labour, Immigration, Training and Skills Development has published *Proposed amendments to the Employment Standards Act, 2000 (ESA), if Bill 149, the Working for Workers Four Act, 2023, passes*. [Note: Bill 149 received first reading on November 14, 2023, and has not yet been passed.]

These proposed amendments to the ESA relate to protecting employee's wages and tips, adding rules about job postings and clarifying current requirements.

Comments can be submitted until February 7, 2024.

Source: [Proposed amendments to the Employment Standards Act, 2000 \(ESA\), if Bill 149, the Working for Workers Four Act, 2023, passes \(ontariocanada.com\)](#)

### WEALTH SOLUTIONS

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#### Ontario – Vulnerable Consumers

On January 8, 2024, the Financial Services Regulatory Authority (FSRA) announced a Consultation on FSRA's Proposed Approach to Strengthening Protection of Vulnerable Consumers.

This will include consulting on the definition of Vulnerable Consumers ensuring a shared understanding amongst FSRA, its regulated entities, its stakeholders and the public. Consumers are those who purchase or benefit from products and services

delivered by the sectors that FSRA regulates, including pension plan beneficiaries.

FSRA's Proposed Approach to Strengthen the Protection of Vulnerable Consumers focuses on two goals:

- promoting inclusive and fair treatment of vulnerable consumers and preventing targeted financial mistreatment

- improving consumer education, engagement, and awareness building efforts

Comments can be submitted until March 8, 2024.

Source: [Consultation on FSRA's Proposed Approach to Strengthening Protection of Vulnerable Consumers](#)

[FSRA's Proposed Approach to Strengthening Protection of Vulnerable Consumers](#)

## Ontario – Decumulation Products

On January 10, 2024, the Financial Services Regulatory Authority (FSRA) published Information No. PC0048INT, *Understanding Decumulation Products* (effective January 10, 2024).

This Information Guidance identifies new and existing products consumers use to draw down on their savings during their retirement while not outliving those savings. These are generally referred to as decumulation products and can be structured in a variety of ways and, depending on how they are structured, will be afforded different regulatory treatment and protections for consumers.

This Guidance informs consumers that some of these products are not insurance products or pension plans. FSRA, therefore, does not regulate them, even though

they are designed to make payments based on the projected life expectancy of the consumers or may refer to themselves as pensions. As well, this Guidance clarifies that these products are not protected under Ontario's *Pension Benefits Act*, even though the products may be described as pension plans or pension funds.

These products are typically investment or mutual funds regulated by the Ontario Securities Commission (OSC).

In this guidance, FSRA defines “Uninsured Decumulation Product” as any product that:

- is not a contract between a consumer and an insurer
- is designed or purports to make payments that depend on how long the investor lives
- results in or requires the investor to bear the risk of the investment return not providing sufficient income to support the investor during retirement

Source: [News](#)

[Information No. PC0048INT, Understanding Decumulation Products](#)

## Contact Us

If you would like further information on any of these topics, please contact your Aon consultant at [canada.retirement@aon.com](mailto:canada.retirement@aon.com).

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At Aon, we're in the business of better decisions. For further insights and information on our capabilities, please visit <https://insights-north-america.aon.com/ca-en>.

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