

RADAR

November 30, 2023



Message From the Editor

- This week we would like to highlight the introduction of Bill C-59, *Fall Economic Statement Implementation Act, 2023*. In addition to implementing a number of measures announced in the 2023 Fall Economic Statement, the bill also includes amendments to the *Income Tax Act* related to retirement compensation arrangements (RCAs) that were proposed earlier this year.

GENERAL

All – 2023 Fall Economic Statement

Further to the federal 2023 Fall Economic Statement that was released on November 21, 2023, Bill C-59, *Fall Economic Statement Implementation Act, 2023* received first reading on November 30, 2023.

Among other matters, the bill purports to:

All – Employment Insurance (EI)

- **New EI Adoption Benefit** - amend the *Employment Insurance Act* to introduce a 15-week shareable EI benefit for adoptive parents

Federal – Canada Labour Code

- **EI Adoption Benefit** –amend the *Canada Labour Code* to provide for a corresponding unpaid leave for workers in federally regulated sectors who take advantage of the New EI Adoption Benefit
- **New Leave for Pregnancy Loss** - amend the *Canada Labour Code* and *An Act to amend the*

Criminal Code and the Canada Labour Code to create a new paid leave for workers in federally-regulated sectors who experience a pregnancy loss (three days in the event of a pregnancy loss and modifications to certain provisions related to bereavement leave)

Source: [Bill C-59, Fall Economic Statement Implementation Act, 2023](#)

Manitoba – Employment Standards

On November 27, 2023, Bill 4, *The Employment Standards Code Amendment and Interpretation Amendment Act (Orange Shirt Day)* received first reading.

This bill purports to amend *The Employment Standards Code* and *The Interpretation Act* to observe “Orange Shirt Day (National Day for Truth and Reconciliation)” as a provincial statutory holiday on September 30.

This amendment combines the names of the federal and Manitoba commemoration dates. The federal government commemorates “National Day for Truth

and Reconciliation” on September 30, while Manitoba, has previously recognized September 30 as “Orange Shirt Day” to commemorate the history and legacy of residential schools.

Source: [Bill 4, The Employment Standards Code Amendment and Interpretation Amendment Act \(Orange Shirt Day\)](#)
[News Release](#)

WEALTH SOLUTIONS

All – RCAs

The draft amendments to the *Income Tax Act* and Regulations related to retirement compensation arrangements (RCAs) released on August 8, 2023, have been included in Bill C-59, *Fall Economic Statement Implementation Act, 2023* that received first reading on November 30, 2023.

These changes related to RCAs include the following:

- amendments to the *Income Tax Act* to provide that fees or premiums paid for the purposes of securing or renewing a letter of credit (or a surety bond) for an RCA that is supplemental to a registered pension plan will not be subject to the refundable tax; this change would apply to fees or premiums paid on or after March 28, 2023
- allow employers to request a gradual refund of previously remitted refundable taxes in respect of fees or premiums paid for letters of credit (or surety bonds) by RCA trusts, based on the retirement benefits that are paid out of the employer’s corporate revenues to employees that had RCA benefits secured by letters of credit or surety bonds
 - employers would be eligible for a refund of 50% of the retirement benefits paid, up to the amount of refundable tax previously paid
 - this change would apply to retirement benefits paid in 2024 and subsequent taxation years

Source: [Bill C-59, Fall Economic Statement Implementation Act, 2023](#)

All – CRA – 2024 Limits

On November 29, 2023, the Canada Revenue Agency (CRA) announced the following:

- 2024 Advanced life deferred annuity (ALDA) dollar limit will be \$170,000
- 2024 TFSA dollar limit will be \$7,000

Source: [What's New](#)

All – CRA – RPD Mailing Address

On November 27, 2023, the Registered Plans Directorate (RPD) of CRA issued an important notice concerning its mailing address.

Due to a building refit spanning multiple years, the RPD’s mailing address has been temporarily changed. Please use the following address for all correspondence until further notice:

By mail and courier:

Registered Plans Directorate
Canada Revenue Agency
2215 Gladwin Cres
Ottawa ON K1B 4K9

In the coming weeks, the CRA webpages and publications will be updated to reflect this address change.

Source: [What's New](#)

Federal – OSFI - Miscellaneous

On November 27, 2023, the Office of the Superintendent of Financial Institutions (OSFI) published its latest *infoPensions*.

The publication mainly reiterates previously announced updates, but provides a number of good reminders for plan administrators. Among other matters, these include:

- draft advisory on Technology and Cyber Security Incident Reporting
- pension plan liquidity survey – the key findings:
 - respondents' use of leverage appears low-to-moderate
 - the scope of risk measurement and monitoring appears consistent with investment complexity
- revised Instruction Guide for Preparation of Actuarial Reports for Defined Benefit Pension Plans (as reported last week)
- OSFI will be updating some of its annual regulatory returns applicable to federally regulated pension plans (FRPPs) registered or having filed an application for registration under the Pension Benefits Standards Act, 1985

Source: [infoPensions – Issue 29 -November 2023](#)

British Columbia – Annual Pension Report (APR)

On November 28, 2023, (BCFSA) published Advisory 23-044, *Changes to Information for Plan Membership Data on the Annual Pension Report ("APR") E- Filing System*.

Effective December 31, 2023, APR e-filing users will be required to update a new table to report the type of benefits accruing for active pension plan members. The system change will impact APR filings with fiscal year end date of December 31, 2023, and beyond. (the plan membership data in the APR e-filing system had been structured for plans that provided a single benefit type, which did not reflect the reality that many plans

provide a combination of benefit formula and defined contribution benefits).

Source: [Advisory 23-044, Changes to Information for Plan Membership Data on the Annual Pension Report \("APR"\) E-Filing System](#)

British Columbia – Marriage Breakdown

On November 30, 2023, Bill 43, *Money Judgment Enforcement Consequential Amendments and Transitional Provisions Act* received royal assent.

The main purpose of this bill is to update and modernize the process for the enforcement of money judgments in British Columbia. Related amendments are made to various other Acts, including the *Pension Benefits Standards Act* (PBSA).

Generally, the bill amends the PBSA (and other Acts) by replacing references to the *Court Order Enforcement Act* with references to the *Money Judgment Enforcement Act*. Other changes include replacing references to outdated ways of enforcing a money judgment (such as a writ of seizure and sale), with "enforcement proceedings" under the *Money Judgment Enforcement Act*.

This Act comes into force by regulation of the Lieutenant Governor in Council.

Source: [Bill 43, Money Judgment Enforcement Consequential Amendments and Transitional Provisions Act](#)

New Brunswick – Shared-Risk Plans

On November 29, 2023, Bill 17, *Pension Plan Sustainability and Transfer Act* received first reading.

This bill purports to establish a process to facilitate the transfer of designated pension plans to existing shared-risk pension plans currently registered under Part II of the *Pension Benefits Act*.

If passed, the transfer process would begin February 1, 2024.

Draft regulations have also been published.

Source: [Bill 17, Pension Plan Sustainability and Transfer Act](#)
[Draft Regulation](#)
[News Release](#)

Contact Us

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

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