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GRIST



ENACTED CANADIAN BUDGET FEATURES PENSION, EXECUTIVE PAY CHANGES

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Canada's federal budget bill ([C-97](#)), which received royal assent on 21 June, includes a number of measures affecting pensions and executive pay.

HIGHLIGHTS

Among the key changes:

- Pension Benefit Standards Act amendments clarify that a pension plan can't provide that a member's pension benefit or entitlement to a pension benefit are affected when a plan terminates. The amendments also authorize a pension plan administrator to purchase an immediate or deferred life annuity for former members or survivors in order to satisfy an obligation under the plan to provide a pension benefit arising from a defined benefit provision.
- The Canada Business Corporations Act is amended to among other things:
 - Set out factors that directors and officers of a corporation may consider when acting with a view to the best interests of that corporation
 - Require directors of certain corporations to disclose certain information to shareholders respecting diversity, well-being and remuneration
- The Canada Pension Plan is amended to authorize the minister of Employment and Social Development to waive the requirement for an application for a retirement pension in certain cases.
- The Old Age Security Act is amended to provide, starting in July 2020, a new income exemption for the purposes of calculating the guaranteed income supplement. The new exemption excludes the first \$5,000 of a person's employment and self-employment income as well as 50% of the person's employment and self-employment income over \$5,000 but not exceeding \$15,000.

RELATED RESOURCES

- [Budget Implementation Act, 2019, No. 1](#) (C-97) (Parliament of Canada)
- [Press Release](#) (Department of Finance Canada, 8 Apr 2019)

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