



October 12, 2012

Mr. John Lee  
Counsel  
Ministry of the Attorney General  
McMurty-Scott Building  
720 Bay Street, 7<sup>th</sup> Floor  
Toronto, Ontario  
M7A 2S9

Dear Mr. Lee:

**Re: Unclaimed Intangible Property Program Consultation**

The Association of Canadian Pension Management (ACPM) is pleased to provide comments to the Ontario Ministry of the Attorney General with respect to the contemplated unclaimed intangible property program.

ACPM represents Canadian pension plan sponsors, plan administrators and service providers. Established in 1976, the ACPM advocates for an effective and sustainable Canadian retirement income system through a non-profit organization supported by a growing membership and a team of volunteer experts. ACPM members are drawn from all aspects of the industry and regions of Canada. ACPM represents over 400 pension plans consisting of more than 3 million members, with total assets under management in excess of \$330 billion.

The ACPM regularly advocates and participates in public dialogue on pension issues. In doing so, the ACPM focuses on encouraging:

- Clarity in legislation and regulations governing pensions and retirement arrangements;
- Balanced consideration of stakeholder interests; and
- Excellence in governance and administration.

At present, it is unclear whether the unclaimed intangible property program will apply to pension plans. Our view is that unclaimed benefits in pension plans should be **excluded** from the program. We note that the Alberta legislation does not apply to pension plans.

Our reasons for recommending the exclusion of unclaimed property in pension plans from the program are as follows:

- The Ministry of Finance is reviewing the pension issues relating to benefits of unlocated members of plans that are wound up. This is further to the 2011 Ontario Budget announcement in which the government indicated that it will explore options to handle such benefits so that pension plan wind ups may be completed. Pending the conclusion of this review, unclaimed pension property should not be included under the program.

- Defined benefit pension plans (DB plans), in particular, present complexities that would not be addressed in the program as described. DB plans may involve increasing pensions over time likely making transfer into the program a disadvantage by comparison. In addition, members can choose to access DB plan benefits over a long period of time making it difficult to determine if property is in fact unclaimed (i.e. members may choose to start a pension anytime from early retirement date until age 71, and if they die, their beneficiaries have entitlements to survivor pensions as well).

If the unclaimed property regime were to include pensions, specific provisions would be required to address many circumstances in pension administration – further consultation would be required on those details. If such a program were applicable to pensions, it should be optional for plan administrators.

We appreciate this opportunity to submit our comments regarding the unclaimed intangible property program and would be pleased to meet with you to discuss our response.

Sincerely,

A handwritten signature in black ink, appearing to read 'Bryan D. Hocking', written over a large, empty oval shape.

Bryan D. Hocking  
Chief Executive Officer