

## **FSCO policy on pregnancy, parental and emergency leave, published May 2002**

The Financial Services Commission of Ontario ("FSCO") has recently revised its policy regarding *Employment Standards Act, 2000* ("ESA") requirements when pension plan members are on pregnancy, parental or emergency leave.

The ESA requirements respecting pension accrual during these periods have not changed. Members of **non-contributory** plans continue to accrue pension benefits during the leave. Employers must continue to make their contributions, unless the member elects in writing not to participate in the pension plan during the leave. Member and employer contributions to **contributory** plans continue during the leave, unless the member informs the employer in writing that he/she will not participate in the plan or will discontinue contributions during the leave.

FSCO, however, is now specifically requiring that the plan text set out the manner in which the member's contributions are to be made in these circumstances (various options suggested). The policy also advises that sufficient information be given to plan members to help them make an informed choice and provides some suggestions.

FSCO suggests that pension plan sponsors amend their pension plans to reflect the ESA requirements. However, the ESA terms also apply to plans that are not amended.

The new policy, # B100-206, can be found under the headings "Pensions/Pension Policies/Link to Index of Active Pension Policies/Benefits" on FSCO's website at [www.ontarioinsurance.com](http://www.ontarioinsurance.com)

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