
Submission to the Financial Services Regulatory Authority of Ontario (FSRA) on the Proposed Guidance: Administration of Pension Benefits Upon Marriage Breakdown

Canadian Life and Health Insurance Association
May 2021

The Canadian Life and Health Insurance Association (CLHIA) is a voluntary association with member companies which account for 99 per cent of Canada's life and health insurance business. The life and health insurance industry is a significant economic and social contributor in Canada.



\$2.8 billion in provincial tax contributions

- \$210 million in corporate income tax
- \$351 million in payroll and other taxes
- \$592 million in premium tax
- \$1.64 billion in retail sales tax collected



Investing in Ontario

- \$337 billion in total invested assets
- 98% held in long-term investments

The industry also plays a key role in providing a social safety net to the people of Ontario.



Protecting 11 million Ontarians

- 10.2 million with drug, dental and other health benefits
- 8.4 million with life insurance averaging \$234,000 per insured
- 4.9 million with disability income protection



\$46.8 billion in payments to Ontarians

- \$25.7 billion in annuities
- \$16 billion in health and disability claims
- \$5.1 billion in life insurance policies

Our industry is pleased to provide its comments on FSRA's consultation on the Proposed Guidance: Administration of Pension Benefits Upon Marriage Breakdown. Our industry greatly appreciates the opportunity to provide input on this matter.

The CLHIA commends FSRA's role in providing the industry with a comprehensive and current guide on the processes for the valuation and division of pensions on marriage breakdown.

We offer the following additional comments for your consideration.

Definitions section

The CLHIA recommends the addition of a definition and acronyms section at the beginning of the document. This would aid readers of the document to ensure they fully understand all of the terms and their definitions used within the document. Defined terms and acronyms could be linked from the document to the definition section for ease of reading the document.

New plans

The CLHIA recommends the guidance should reflect new types of plans, such as, variable benefits, variable payment life annuity (VPLA) and advance life deferred annuity (ALDA). As these new products are introduced, the industry will require guidance on how to deal with them on marriage breakdown.

Thank you for your consideration of our comments noted above. We would be pleased to expand on these concerns should you wish to discuss any of the issues identified in our comments. Please feel free to contact me at 416-359-2047 or by email at nsimon@clhia.ca.