

Regulatory Statement

CANSIM Rate for Interest on Contributions

Regulatory Statement Number	24-002
Legislation:	<i>Pension Benefits Standards Regulation</i>
Date:	January 18, 2024
Distribution:	Pension Plan Administrators, Sponsors, and/or Actuaries

PURPOSE

This Regulatory Statement sets out the position of the Superintendent of Pensions on the application of the Canadian Socio-Economic Information Management System Rate (“CANSIM rate”), as defined in the Pension Benefits Standards Regulation (“PBSR”).

BACKGROUND INFORMATION

The Superintendent is charged with the administration and enforcement of the *Pension Benefits Standards Act* and related enactments. Although pension plan administrators must ensure that their application of the CANSIM rate aligns with the definition of “CANSIM rate” in section 69 of the PBSR and the interpretation in this Statement, the Superintendent is not prescribing specific remedial measures for pension plan administrators who identify issues in respect of their own application of the CANSIM rate. Each pension plan administrator must have regard to their own plan requirements, fiduciary duty, and fact situation. If the Superintendent or BC Financial Services Authority staff receive complaints or concerns from pension plan members, these will be considered on a case-by-case basis.

REQUIREMENTS

In [section 69\(1\)](#) of the PBSR, the definition of “CANSIM rate” is as follows:

“CANSIM rate”, in relation to a period of not more than 12 months for which interest is payable, means the rate of interest calculated on the basis of the average of the reference rates, which average is determined in relation to the most recent period of that length for which the rates are available [emphasis added]

The Superintendent’s interpretation is that “CANSIM rate” in section 69(1) of the PBSR requires that the most recent reference rates available be used for the calculation of interest.

For illustration purposes only, consider a pension benefit with a February 28, 2023 calculation date under a plan with a December 31 fiscal year end. In that case, the CANSIM rate calculation includes determining:

- One CANSIM rate, using the average of the reference rates in each of the 12 months in the 2022 calendar year, to apply the interest earned from January 1, 2022 to December 31, 2022; and

- An additional CANSIM rate, using the average reference rates published and available at the time of calculation in each of the two months of 2023 up until February 28, 2023, to apply the interest earned from January 1, 2023 to February 28, 2023.

ADDITIONAL INFORMATION

If you have any questions, please contact BCFSa at pensions@bcfsa.ca.

LEGISLATION

[Pension Benefits Standards Regulation - Section 69](#)

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