

February 5, 2019

Delivered via FSRA's Online Submission System

Financial Services Regulatory Authority of Ontario
130 Adelaide St W, Suite 800
Toronto, ON M5H 3P5

Re: Proposed FY 2019-20 FSRA Priorities and Budget

Dear Sirs/Mesdames:

We are writing in response to the consultation on FSRA's proposed 2019-20 priorities and budget. We appreciate the opportunity to provide feedback.

As a large, jointly-sponsored defined benefit pension plan for almost half a million members and nearly one thousand participating employers, OMERS core mission is to deliver secure and sustainable pensions to our members. To achieve this, OMERS believes in a balanced and thoughtful approach to the regulation of Ontario's pension plans.

From this perspective, we support FSRA's focus on burden reduction and regulatory effectiveness as well as the priorities¹ FSRA has identified for the pension sector in 2019-20. We believe that these priorities will help to promote the sustainability of the pension system in Ontario and ensure the pension system is operated in an efficient and fair manner.

Before undertaking substantive work on these priorities, we encourage FSRA to first establish a balanced and principles-based approach for the pension sector. This approach should reflect FSRA's statutory objectives to promote good administration of pension plans and protect and safeguard the pension benefits and rights of pension plan beneficiaries.

¹ (1) Support plan evolution; (2) review prudential supervision framework; and (3) refocus pension regulation on burden reduction.



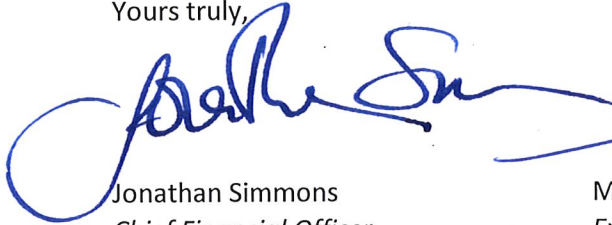
A principles-based approach would form a foundation upon which FSRA could build to achieve its ambitious transformation mandate. It would also assist the FSRA leadership management team as they shape a culture of public service, effectiveness and efficiency.

In terms of specific priorities, we encourage FSRA to:

- institute the proposed increase of five senior staff positions for the pension sector and continue to look for opportunities to build pension expertise in the organization;
- implement the proposed relationship model for larger plans/jointly sponsored pension plans;
- ensure that FSRA rule making for the pension sector is supported by pension experts;
- include pension specific expertise in the proposed Innovation Office; and
- engage those in the pension sector to help identify legal and regulatory barriers to innovation and develop and promote ways to adapt the regulatory regime to foster innovation.

Finally, as noted in our previous submission on FSRA's assessment and fee rule consultation, we also encourage FSRA to continue its proactive and collaborative approach with the pension sector. Such an approach will help to promote the security, viability, growth and sustainability of the pension sector in Ontario.

Yours truly,



Jonathan Simmons
Chief Financial Officer



Michael Kelly
Executive Vice President & General Counsel