

1 **Volume 3, Section 2 – Browne, Regulatory Accounting**

2
3 **Q. Please identify and explain all accounting practices, legislation and regulations that**
4 **give rise to the obligation on companies in Newfoundland and Labrador to fund**
5 **their future pension plan obligations. In each case, identify whether the obligation**
6 **extends to Other Post Employment Benefits.**

7
8 A. Canadian GAAP does not include an obligation for a company to fund its employee
9 future benefit plans (i.e., pension plans and OPEBs). According to NP, the legislation
10 governing the funding of pension obligations for defined benefit pension plans in
11 Newfoundland and Labrador is set out in the Pension Benefits Act (Newfoundland and
12 Labrador) (the "Pension Act"). This act requires that funding for defined benefit pension
13 plans be based on actuarial valuations that are to be conducted, at a minimum, once every
14 three years. According to NP, there is no legislation governing the funding of OPEBs
15 obligations.