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Pensions: Good News from the Supreme Court of Canada!

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In the *Kerry* decision rendered on August 7th, 2009, the Supreme Court of Canada confirmed that employers may oblige pension funds to pay Plan expenses, that is the expenses associated with the employment of actuaries, accountants, counsel and other service providers required for the administration of the Plan.

The Court also concluded that employers may combine the defined benefit (“DB”) and the defined contribution (“DC”) components in one pension plan and use the actuarial surplus for contribution holidays concerning the DC component.

However, the Court has pointed out that each case must be reviewed in regard to the “text and context” of the pension plan.

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