ITC

From: "Noor, Khalida (TBS)" <khalida.noor@ontario.ca>
To: "Veinot, Cindy (TBS)" <cindy.veinot@ontario.ca>
Cc: "Hosick, Sarah (TBS)" <sarah.hosick@ontario.ca>
Date: Wed, 21 Mar 2018 10:58:34 -0400
Attachments: Ontario Response to PSAB ITC on Employment Benefit Discoun Rate with Con....doc (74.24 kB)

Hi Cindy,

In the attached please find the updated ITC document. Based on your meeting with the team, I shared the latest version with Alex to ensure that we have captured their information accurately.

As they have noted in the document, their biggest concern is that if we support the current guidance, we should be clear in the response and not open up the floodgate by seeking further changes/guidance. MOF thinks the current guidance is appropriate. They do not have any difficulties following the guidance in developing the discount rate assumptions. Furthermore, the fact that the AGO has found our discount rate assumptions within the reasonable range provides further support the argument that the current guidance is sufficient and appropriate.

Personally, I think PSAS can benefit from being more comprehensive and to some degree prescriptive. Of course professional judgement plays an important role, however, if we leave the standards too open, it lends itself to interpretation, creating inconsistencies in its application.

In this case, the discount rates are established by MOF and if they feel that available guidance is sufficient, then I am ok with that as well. Happy to get your thoughts.

I am hoping to provide answers by the end of the week, if possible.

Thanks
Khal