



March 20, 2014

The Honourable J. Oliver

Minister of Finance

Sent by e-mail to: Joe.Oliver@parl.gc.ca

On behalf of all members of the Canadian Federation of Pensioners, I would like to pass on my congratulations, and best wishes, on your appointment as Minister of Finance. The Canadian Federation of Pensioners is an association of defined benefit pension plan organizations, each of which advocates for the pension interests of its members. Currently there are eighteen member organizations of CFP, which represent 250,000 defined benefit pension plan members.

In recent years, CFP and its member organizations have worked with members of your department regarding the legislation and regulations that govern the operation of federally-regulated pension plans. We have, I believe, established a strong working relationship, and look forward to furthering it. In the immediate future, CFP will be contributing to the consultation on the *Business Insolvency Act* (BIA) and the *Companies' Creditors Arrangement Act* (CCAA). The consultation process is, of course, directed by your colleague Mr. Moore, the Minister of Industry Canada. However, given the issues at stake, and its connection to the *Pension Benefits Standards Act* which is under your purview, I am confident that you will be taking a keen interest in its findings.

Across the country, pension funding rules put at risk the pension promise on which plan members rely for their retirement years. When plans fail, the insolvency process is the last chance that retirees have to mitigate the impact of pension losses arising from plan underfunding. Unfortunately for pensioners today, pension losses are all but inevitable. In the consultation, CFP will be advocating for legislative change that will afford greater protection to pensioners when their defined benefit pension plan is underfunded coincident with the insolvency of the plan sponsor. All members of defined benefit pension plans in Canada, whether provincially or federally regulated, are affected by the provisions of these two acts.

CFP appreciates that yours is a challenging job, with wide-ranging implications for all Canadians. We thank you for taking on the responsibility.

Sincerely

A handwritten signature in black ink, appearing to read "R. Farmer", with a long horizontal flourish extending to the right.

Robert Farmer

President – Canadian Federation of Pensioners

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