



December 1, 2016

The Honourable Bill Morneau, P.C., M.P.
Minister of Finance
House of Commons
Ottawa, Ontario, K1A 0A6

By email: bill.morneau@canada.ca

Dear Minister,

I am writing to you concerning Bill C-27, *An Act to amend the Pension Benefits Standards Act*. As President of the Professional Institute of the Public Service of Canada (PIPSC), which represents 55,000 members working in the federal public service and the broader federal and provincial public sector, I wish to convey my very deep concerns about this proposed legislation. Bill C-27 would potentially pave the way for federally regulated employers to erode pension security and shift risks from employers to employees by replacing defined benefit pensions plans with target benefit plans.

Your government has been consistent over the past year in reaching out to stakeholders and Canadians on a variety of topics. Our organization has been pleased to participate in a number of these consultations. We were surprised and dismayed to see this important piece of legislation tabled by your government with no consultation with Canadians, pensioners or unions. Target benefit plans made headlines in 2013-2014 when the New Brunswick government passed laws to convert longstanding public sector defined benefit pension plans into target benefit plans. This conversion has resulted in significant pension reductions and decreased benefit security for New Brunswick government employees.

The current proposed legislation opens the door to undermining existing defined benefit pension plans as well as sets a dangerous precedent for the well-being of defined pension plans —and their beneficiaries – in the future. PIPSC opposes this Bill and encourages your government to focus its energies on creating a legislative and economic environment in which defined benefit pension plans can actually thrive.

Sincerely,

Debi Daviau
President