



Canadian Federation of Pensioners
Advocating on Behalf of Pensioner Groups and Their
Members

Minister of Finance
National Consultations on Private Pension
Plans

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Revitalizing the Defined Benefit Pension Plan

- Retirees are key plan stakeholders.
- Reduce the financial risk for retirees.
- Too little timely access to reporting.
- Regulatory protection for retirees.
- Pension administration assurance.
- Other: *Temporary funding regulations, sponsor bankruptcy, commuted value withdrawals, large plan wind-up.*

1. Retiree Stakeholder Recognition

- Current pension legislation:
 - Doesn't recognize retirees as plan members.
 - Often there are more retirees than active plan members.
 - Retirees have the most to lose if a pension plan has to wind-up with a solvency deficit.
- Ongoing participation.

2. Reduce retirees' long-term financial risks.

- This risk is increasing.
- Raise the bar on minimum acceptable solvency funding levels.
- Every pension plan needs a funding "cushion" or "rainy-day" reserve.

3. Retirees are not Mushrooms

- Plan status info available too late to be of much value.
- Retirees must ask to see it (per PBSA)
- Now economical to make info available for access by all and make it available sooner.
- *Do administrators really need six months time to prepare and file annual & triennial reporting with the regulator?*

4. Retirees and the Role of the Regulator

- PBSA weak when it comes to re-assuring retirees that anyone is protecting their interests in the long term security of their pensions.
- Retirees have only the regulator to do this for them on an impartial basis.
 - This must be made priority number one for the regulator in all that it does.
 - Regulator must be adequately empowered in legislation and held accountable.

5. Total Plan Oversight

- Pension plan administration is very complex and requires a high level of expert knowledge and experience.
- Very few aspects of the total plan administration is subject to independent review for internal and external compliance
- Every stakeholder + the regulator would benefit from their being more oversight.

6. Other

- A. Temporary Solvency Funding
- B. Sponsor bankruptcy & insolvency
- C. Commuted value calculations
- D. Plans too large to be wound-up



Happiness is...

A fully solvent pension plan.