



September 9, 2011

Dear Mr. Walsh:

Thank you for your letter and for giving me the opportunity to tell you about our *changebook* plan to provide Ontario seniors with the respect and relief they need and deserve.

Changebook emerges from conversations we have had with families in every corner of Ontario, including through our unprecedented *Have Your Say Ontario* discussion, which provided thousands of voters an opportunity to provide us their feedback. Hard working families told us their priorities for change, and *changebook* reflects those priorities. Through *changebook*, I will provide the respect and relief families so clearly deserve.

As I travel through Ontario, seniors are telling me they are concerned about the quality of our healthcare system and about their rising costs, especially on their hydro and home heating bills. Ontario's seniors are struggling to pay the bills when they should be enjoying their golden years. As Premier I will bring relief to seniors' pocketbooks. To see our entire plan for change please see *changebook* in its entirety at www.changebook.ca.

The PC Party understands how devastating the impact of pension failures has been on pensioners and the continued concerns around pension security felt by your members. The failure of the Dalton McGuinty government to adequately address the need for significant pension reform has left seniors on pensions anxious about their financial future.

A Tim Hudak government will make pension reform a priority to ensure our pension regulations protect the integrity of pensions.

We will require more timely updates to plan members through the use of technology so plan members understand the state of their life long investments.

Often solvency problems are not identified in time to allow for meaningful intervention. We will review the current 3 year valuation and reporting cycle. The prescribed timelines need to provide a mechanism for early detection and intervention to address potential solvency concerns. We need to ensure that pension plans are better equipped to take measures in response to catastrophic economic downturns.

The outdated notion that some companies are too big to fail is one that we painfully found out is not a true one. In 2008, a number of "pillar" companies collapsed without warning leaving investors and pensioners in dire financial distress. Yet it is 2011, and the McGuinty government has still not reviewed the "too-big-to-fail" rules. This again needs to be addressed.



We will examine current valuation rules and make sure that funding ratios, indexing and other risk factors are appropriately addressed. We will also work with other Provinces and the Federal government on harmonizing pension rules and standards. This is an important but currently neglected step in securing our pensions.

We will also ensure that pensioners have dignified access to their pension proceeds by reforming current locking in provisions when funds are transferred out of a pension plan and granting 100 per cent access to their life-long savings as they choose.

The last eight years have been tough on our families. Ontario needs change. Change that puts families first. *Changebook* is how a Tim Hudak government will take Ontario forward responsibly, with respect for the people of this province who pay the bills.

To learn more about *changebook* and the PC Party's plan for change in Ontario, I invite you to visit www.changebook.ca.

On October 6th, Ontario families will face a clear choice. They will choose from four more years of Dalton McGuinty raising their taxes, wasting their money, and never standing up for the things we believe in; or they will choose change with a Tim Hudak government. Change that will provide tax relief families need. Change that guarantees the services that matter most, like health care. And change that ends the government waste and keeps our neighbourhoods safe.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Tim Hudak', with a stylized flourish at the end.

Tim Hudak
Ontario PC Leader