

June 2014

By email: [pensions@fin.gc.ca](mailto:pensions@fin.gc.ca) and hand delivered to Minister Sorenson June 25, 2014.

Department of Finance

**Regarding the Consultation Paper: "Pension Innovation for Canadians: The Target Benefit Plan"**

**On behalf of Teamsters Canada we would like to add the following perspectives in addition to the briefs submitted by the Canadian Labour Congress and PBI Actuarial Consultants Ltd. in which we concur.**

We do not support the conversion of Defined Benefit Plans (DBPs) to Target Benefit Plans (TBPs) for the reasons giving in the above mentioned briefs. We find it disturbing that Company Executives DBPs constitute the greatest number of these plans, while every attempt is made by them to erode or eliminate their employee's access to DBPs. Corporate Executives' unwillingness to shift retirement risks to themselves run counter to their intent to shift full risk of retirement to employees. It is not in the long run interest of the nation to allow this shift, and it is counter to good planning and policy.

- Specifically, we have issues over the notion of consent by workers and retirees to such a conversion.
- This Government, like those before it, erode collective bargaining in the rail industry through the use of back-to-work law.
- It would be, in our opinion, be beyond the intention of the proposal to permit conversion of a Defined Benefit Plan in the rail industry, or any industry, through the forced back-to-work arbitration processes, or worse, though a final offer selection.
- Any legislation must be clear, and we urge the Minister to confirm that under the proposal consent can not be given, granted or achieved through any application of labour law or the arbitration process.

We urge further consultation on this proposal prior to any action taken by the Minister, and we look forward to participating in that round of discussions.

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President



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Teamsters Canada is a labour organization with over 125,000 members working in all sectors of the economy. It is affiliated with the International Brotherhood of Teamsters, which has 1,400,000 members across North America.