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PENSIONS | BENEFITS

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HAVE YOUR SAY ABOUT PENSION REFORM

BY HEATHER DI DIO

Whether you are an employer or employee, in a unionized environment or not, and whether or not you have a retirement savings plan of any kind, the federal government wants to hear from you.

Last fall, we told you about pension reform and the possibility of a [new national pension plan](#). The federal government is now seeking your input on how the Canadian retirement income system can be strengthened and reformed.

On March 24, 2010, the Honourable Jim Flaherty, Minister of Finance, announced the launch of cross-country and online consultations to gather ideas on how to ensure the "ongoing strength" of Canada's retirement income system. He stated, "Our government will be giving Canadians an unprecedented opportunity to provide direct input on the future security and soundness of Canada's retirement income system." Consultations are open from March 24 to April 30, 2010. Anyone interested is welcome to participate.

Information gathered from the consultations will be reviewed and discussed by federal and provincial finance ministers at their spring meeting in May. The meeting takes place a year after a Research Working Group was established by the finance ministers to review Canada's retirement system, and follows the discussions held in Whitehorse last December.

Numerous proposals have been canvassed in the public domain on how to improve the Canadian retirement income system. The proposals fall within three main categories:

- government-sponsored, voluntary defined contribution pension plans (e.g. creating a new voluntary supplement to the CPP);
- mandatory, defined benefit pension plans (e.g. expanding the current CPP coverage); and

- increased flexibility for private-sector, defined contribution pension plans and increased opportunities for private savings (e.g. expanding tax incentives to encourage retirement savings, increasing coverage of private employer plans, and creating multi-employer pension plans with automatic enrolment, automatic escalation and an opt-out clause).

Considerations for evaluating the proposals include affordability, sustainability of costs over the long-term, cost burdens, maintaining balance between individuals and government and individual choice, and accessibility for all Canadians.

If you want to have your say about pension reform in Canada, you can participate by submitting your comments related to these or other considerations by email to ris-consultations-srr@fin.gc.ca. In addition, various in-person consultations will be held across the country:

- public town hall meetings in Charlottetown, P.E.I.; Québec City, Que.; and Richmond, B.C.;
- roundtable sessions in St. John's, N.L.; Winnipeg, Man.; and London, Ont.; with invited key stakeholders, experts and government representatives; and
- conferences hosted by the University of Calgary on April 12, 2010, and the Institute of Research on Public Policy in Toronto on May 4, 2010.

CONTACT US

For more information, please visit <http://www.fin.gc.ca/activty/consult/retirement-eng.asp> or contact a member of our [National Pension | Benefits Group](#).



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