

August 31, 2012

The Right Honourable Stephen Harper  
Prime Minister of Canada  
House of Commons  
OTTAWA, ON  
K1A 0A6

Dear Prime Minister:

Today I am renewing the call for a national summit on pensions.

In 2009, the Canadian labour movement called on you to convene a national pension summit to bring together government, business, labour, and other stakeholders to shape an inclusive vision of retirement security for all Canadians. Since that time, the economic crisis has only worsened the retirement security for Canadians. More than 11 million Canadians at work today have no workplace pension. If current trends continue, these numbers will continue to increase.

At the same time, unprecedented low long term interest rates and stagnant equity markets have put enormous stress on workplace pension plans in both the public and private sectors. Moving from defined benefit plans to defined contribution plans is not a solution. Defined contribution schemes are not pension plans, rather, they are savings instruments only. Savings plans are left to the vagaries of the market and are not able to provide meaningful retirement security.

Recently, the CD Howe Institute provided an important critique of the proposal for a PRPP, which they characterized quite correctly as a mere savings plan – not a pension plan. Their analysis demonstrates in particular that PRPPs are not likely to be an appropriate solution for low and middle income earners.

It is clear that Canada's pension crisis is worsening. Without leadership and action by your government, Canada will face a future of growing seniors' poverty and economic insecurity. The decisions, or lack of decisions, made today will affect Canadians for decades into the future.

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Prime Minister, Canadians are looking for leadership. As a nation, we should be striving for dignity in retirement, not making those who contributed all their working lives to the health and well-being of our country and our society to retire into poverty. They deserve certainty.

As you know, many Premiers have signaled their willingness to move forward on improving the Canada Pension Plan, a model of envy and success around the world. A modest increase in the Canada Pension Plan will go a long way towards stabilizing and enhancing Canada's retirement security system for current and future generations. Many other aspects of the framework for our pension system are in urgent need of reform.

Now is the time for government, business, labour, and other stakeholders to come together for a national dialogue on the direction we must take to ensure those who have worked all their lives achieve the dignity and income security that they deserve in their retirement years. Convening a national summit on pensions will be an important first step.

I await your response to this urgent request.

Yours truly,

A handwritten signature in black ink that reads "Paul Moist". The signature is written in a cursive, flowing style.

PAUL MOIST  
National President

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cc: T. Mulcair, Leader, New Democratic Party; B. Rae, Interim Leader, Liberal Party; K. Georgetti, President, Canadian Labour Congress; CUPE National Executive Board Members