

January 30, 2017

The Honourable Bill Morneau, P.C., M.P. Minister of Finance House of Commons Ottawa, ON K1A 0A6

Dear Minister,

The National Association of Federal Retirees is the largest national advocacy organization representing active and retired members of the federal public service, Canadian Armed Forces, Royal Canadian Mounted Police (RCMP), and retired federally-appointed judges, as well as their partners and survivors. With 180,000 members including more than 60,000 veterans and their families, the Association has been providing independent advocacy on issues affecting the financial security and health and well-being of our members and Canadians for over 50 years.

I would like to meet with you to discuss our members' concerns with Bill C-27, An Act to amend the Pension Benefits Standards Act, 1985, and recent media reports that the federal government has identified health and dental benefit packages as possible source for additional revenue.

Although Bill C-27 doesn't affect all employers, the potentially corrosive effect it could have on Canadians' collective retirement income security is concerning. Well-managed, disciplined defined benefit pension plans are proven to make retirement secure, and to contribute significantly to our economy in the form of consumer spending and taxes, generating business growth and employment.

Taxing health care benefits would cost Canadian families, and is likely to result in fewer employers willing to offer these benefits. This decision would mean many lower income and middle class Canadians not being able to afford access to necessary and preventative care. This preventative care helps to save publicly funded healthcare systems by addressing and preventing health care issues early, keeping Canadians and their families healthy and productive.

These issues are particularly important to Canada's seniors, to our collective retirement security, to our middle class and to our national economy.

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We would welcome an opportunity to discuss with you our concerns on the above, as well as other issues that are of concern to our members specifically and to seniors in general. One of our staff will contact your office to arrange a meeting; alternatively, you may contact Federal Retirees Director of Advocacy, Sayward Montague, at smontague@federalretirees.ca or at 613-745-2559, ext. 238. We look forward to meeting with you as soon as possible and thank you for your cooperation.

Yours sincerely,

Jean-Guy Soulière

President

JGS/hc