



April 30, 2012

James Rajotte  
Chair  
Standing Committee on Finance  
Sixth Floor, 131 Queen Street  
House of Commons  
Ottawa ON K1A 0A6  
Canada

[FINA@parl.gc.ca](mailto:FINA@parl.gc.ca)

Dear Mr. Rajotte:

I am writing on behalf of the College Pension Board of Trustees (CPBT), which is responsible for the governance and administration of the British Columbia College Pension Plan (the "College Plan") regarding the provisions of Bill C-377 – An Act to amend *the Income Tax Act* (requirements for labour organizations).

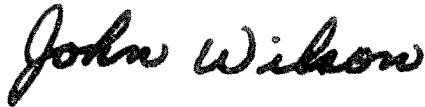
By way of background, the College Plan serves approximately 20,000 members from a variety of public post-secondary institutions across British Columbia. The College Plan's investment portfolio is valued at approximately \$2.7 billion and is managed in conjunction with other public sector pension funds in British Columbia, to establish a funded pool that is among Canada's largest pension funds.

The CPBT is concerned about the consequences of Bill C-377, which we believe will have a negative impact on the long-term financial interests of our members and on the taxpayers of British Columbia. Bill C-377 defines "labour trust" as including a "trust ... established or maintained in whole or in part for the benefit of [a labour organization's] members", and a "labour organization" to include an ordinary union. These broad definitions could arguably subject our pension plan to onerous and unnecessary red tape, which will add to the cost of administering the College Pension Plan. This unnecessary administrative burden will increase compensation costs for employers and costs to taxpayers.

In addition to the impact on our public sector pension plans, the implications of Bill C-377 for private sector pension plans that use private sector investment managers is equally concerning. The disclosure requirements of Bill C-377 will increase the administrative burden and could have a devastating impact on private sector pensions.

There are already substantive disclosure requirements in place for pension plans under federal and provincial laws. We believe that the potential application of Bill C-377 to pension plans must be unintended. We respectfully request that this proposed amendment to the *Income Tax Act* be revised to exclude pension plans, and pension or superannuation trusts.

Sincerely,



John Wilson  
Chair  
College Pension Board of Trustees

cc: Right Honourable Stephen Harper, Prime Minister  
Honourable Jim Flaherty, Minister of Finance  
Honourable Lisa Raitt, Minister of Labour  
Thomas Mulcair, Leader of the Opposition  
Honourable Bob Rae, Leader of the Liberal Party  
Honourable Kevin Falcon, Minister of Finance, British Columbia  
Russ Hiebert, Member of Parliament for South Surrey – White Rock – Cloverdale  
Guyanne Desforges, Clerk of the Committee, House of Commons Standing Committee on Finance  
College Pension Board of Trustees  
Richard Taylor, Chair, Municipal Pension Board of Trustees  
Ron McEachern, Chair, Public Service Pension Board of Trustees  
Joann Cain, Chair, Teachers' Pension Board of Trustees  
Doug Pearce, CEO, British Columbia Investment Management Corporation  
Laura Nashman, CEO, British Columbia Pension Corporation  
Bruce Kennedy, Executive Director, CPBT  
Susan Baptista, Secretary, CPBT  
Karen Toms, Assistant Secretary, CPBT