

**Written Submission for the Pre-Budget Consultations in Advance of
the Upcoming Federal Budget**

By: The CAAT Pension Plan

List of Recommendations

Recommendation 1: That the Government of Canada facilitate the merger of single employer pension plans (SEPPs) into jointly sponsored pension plans (JSPPs) should they involve a federally regulated SEPP that wishes to merge into a provincially regulated JSPP.

Background

Recommendation 1: Strengthen Pension Security through JSPP Mergers

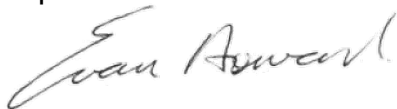
With the economic uncertainty that has come about as a result of COVID-19, more than ever, it is important to provide economic and retirement security to employers and employees across Canada. The CAAT Pension Plan applauds the federal government for recognizing this need and providing relief measures for Canadians during these unprecedented times. With that in mind, the government can continue to strengthen pension security by supporting SEPP to JSPP mergers given the economic and financial security merits that result.

Merging an employer run pension plan into a multi-employer pension plan (like a JSPP) allows both employees and employers to gain financial security despite market volatility and downturns in the economy. It gives employers the opportunity and ability to take advantage of fixed costs, reduce their administrative costs and as well as balance sheet risks associated with managing their own retirement plans. Employers can focus greater resources on operating their business without compromising on retirement benefits. Employees also benefit knowing that their pension is no longer reliant on the financial health of any one employer. Employees avoid the burden and risk of investing their retirement savings, both before and after retirement. Members do not have to worry about investment decisions or fees, or base their retirement plan around market swings.

The government should facilitate these merges even if it involves merging into a plan in a different provincial jurisdiction with different funding rules.

About the CAAT Pension Plan

The CAAT Pension Plan is recognized by many as a model of a well-managed and well-governed pension plan. We are one of Canada's most innovative and secure pension plans with \$13.5 billion in net assets and a \$2.9 billion funding reserve. As a multi-employer, JSPP, we provide defined benefit pensions to more than 63,000 members from over 75 employers across Canada. This includes Ontario's colleges, organizations from the broader public, non-profit and private sectors including Brinks Canada, Torstar Corporation, Canadian Press, Postmedia, and United Way of Greater Toronto, to name a few. To date, we have received an overwhelming 97% endorsement rate from employees across Canada, demonstrating the need and desire for secure lifetime retirement income from a trusted organization. The CAAT Pension Plan provides a proven solution for organizations that want to offer a cost-effective and sustainable pension solution to their employees.

A handwritten signature in black ink, appearing to read "Evan Howard".

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