

## Retirement security

“Canada’s seniors have earned the right to be treated with dignity.”

**Speech from the Throne**  
as delivered, October 4, 2004

Today, three out of every four Canadians worry that a secure retirement will be out of their reach. The Canadian Labour Congress understands their concern.

Ensuring that all Canadians have access to a secure and adequate retirement income should be a top priority for the federal government. We recommend the following steps:

Swift follow-through on the Throne Speech promise to increase seniors’ benefits under the Guaranteed Income Supplement (GIS).

A broad public debate on raising the benefits provided by Old Age Security (OAS) and the Canada/Quebec Pension Plan (CPP/QPP).

A review of the rules governing the financing of Defined Benefit workplace pension plans. This is urgent as outdated rules make portability difficult, joint management unlikely and accountability weak.

New legislation to require transparency in pension fund investment decision-making, because workers’ retirement savings should be a force for progress in our society.

A clear demonstration of renewed commitment and leadership on these important issues would come through the creation of a **Minister of State for Pensions and Retirement Security**. Dedicating a seat at the Cabinet table to a new champion for retirement security would prompt both the actions we want and the debate we need.

**Reforming Canada’s bankruptcy laws** is another important and urgent step towards improved retirement security. Corporate bankruptcy is an increasingly common fact of life for Canadian workers. When a company fails, the retirement and income security of hundreds, sometimes thousands, is put at risk. We recommend the following steps:

**Amend the Corporate Creditors’ Arrangement Act (CCAA)** to make clear that courts cannot override collective agreements or any legislated standards and that unions have a right to notice of any application for CCAA protection.

Create a **pension benefits guarantee corporation** to cover every Canadian jurisdiction.

Establish a **wage protection fund**, financed by a minor tax on employers, that would allow workers’ claims to be paid in a timely way.

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Ensure that, in case of bankruptcy, the unfunded liabilities of workplace pension plans are treated as the second claim on a corporation's assets, right after unpaid wages (broadly defined).

Allow workers at bankrupt corporations to sue the officers and directors of those corporations for unpaid wages (broadly defined).

Dignity for Canada's seniors means adequate and secure retirement income. The Canadian Labour Congress believes that *this* is the right of all Canadians.

We look forward to working with you toward these important objectives.