

February 27, 2009

The Honourable Dwight Duncan
Minister of Finance
C/O Pension and Income Security Policy Branch
Attention: Comments on Report of the Expert Commission on Pensions
5th Floor, Frost Building South
7 Queen's Park Crescent
Toronto ON M7A 1Y7

Dear Minister Duncan:

The Ontario Chamber of Commerce (OCC) commends the efforts of the Expert Commission on Pensions to consult with all stakeholders in its assessment of Ontario's existing pension system. We particularly thank Commissioner Arthurs and the advisory panel for indentifying the importance of a system of Defined Benefit pension plans in Ontario - a position supported by the 60,000 businesses represented by the OCC.

As you know, the OCC has been an active participant in the Commission's review process with the ultimate goal to drive change based on our guiding principles for pension reform: competitiveness, affordability and simplicity. We are, therefore, disappointed that none of our recommendations were specifically adopted by the Commission. Moreover, despite some positive outcomes from the report, the recommendations made by the Commission, if adopted, will not achieve the competitiveness, affordability and simplicity required for single employer defined benefit plans.

We had hoped to submit a more detailed response to the report, however, since the release of the Commission's report the emerging solvency crisis in the wake of continued declines in interest rates - which were already at historic lows - along with unprecedented equity market turmoil and extremely tight credit markets have required our urgent attention on behalf of our members.

To this effect, we recommend that the Ministry impose a moratorium on the implementation of the Commission's recommendations at this time. We strongly believe that, given the preoccupation by stakeholders on the current solvency crisis, additional time to review the Commission's report will yield more constructive feedback. Moreover, and of particular importance, the depth and scope of the

Commission's recommendation risks exacerbating the uncertainties already faced by pension plan sponsors during this solvency crisis.

Again, thank you for your continued recognition and efforts to deal with unprecedented solvency issues resulting from the global economic crisis and for your consideration of this important request. If you have any questions, or wish to arrange another consultation, you may direct your staff to contact Stuart Johnston, Vice President Policy & Government Relations at (416) 482-5222, ext. 232, or stuartjohnston@occ.on.ca.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Len Crispino', with a stylized flourish at the end.

Len Crispino
President and CEO

cc: The Honourable Dalton McGuinty, MPP, Premier of Ontario
John Tory, Leader of the Official Opposition, Ontario PC
Howard Hampton, MPP, Leader of Ontario NDP
Tim Hudak, MPP, Finance Critic, Ontario PC
Michael Prue, MPP, Finance Critic, Ontario NDP
Ontario Chamber of Commerce Membership