



December 7, 2016

To: Regional Vice Presidents
Branches and Facilities

Labour Movement Condemns Bill C-27 on Pensions

On October 19, 2016, with little fanfare, no public consultation, and no notice to the Canadian Labour Congress, the federal government tabled Bill C-27.

Right now, defined benefit (DB) pension plans legally guarantee that past service already earned can't be transferred or reduced in any way; whether for active members or retirees.

Note: Both Part A and Part B at NAV Canada are DB plans

Bill C-27 would allow employers to put pressure on active and retired members to "transfer" those past benefits (and future ones) into "target benefit" plans. A "target" plan is less secure than a DB plan, and the law does not force employers to put in extra dollars when such a plan isn't meeting its "target".

In other words, Bill C-27 opens a door which must remain locked, and the entire union movement has been unanimous in demanding that it be withdrawn. Some reactions and analysis can be found at [Canadian Labour Congress](#) and [Unifor](#).

If Bill C-27 does become law, what will be the effect on CATCA members and retirees? **Answer: None**

Unlike many other unions, CATCA achieved (in 2009) unique protections which guarantee not only that all members are entitled to current plan benefits, but also that NAV Canada cannot wind up the pension plan without our consent. We have no reason to believe that NAV Canada is looking at "target" plans – but if they ever do, we have the tools we need to ensure that our hard-earned defined benefit plans are not endangered.

This is a complex subject, so if you have questions or concerns, please direct them to your RVP. Meanwhile, CATCA adds its voice to unions and workers across Canada demanding that this legislation be withdrawn.

On behalf of the Executive Board

Peter Duffey
President

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Executive Vice President

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