

ACPM · ACARR

The Association of Canadian Pension Management
L'Association canadienne des administrateurs de régimes de retraite

April 22, 2003

Hon. Janet Ecker
Minister of Finance
Frost Building South
7th Floor
7 Queen's Park Crescent
Toronto, Ontario M7A 1Y7

Dear Minister Ecker:

Re: Freedom of Information and Protection of Privacy Act request concerning the Ontario Pension Benefits Guarantee Fund and Algoma Steel Inc.

We are writing further to our letters to you of June 28, 2002 and December 12, 2002, copies of which are attached. As I believe you are aware from our previous correspondence, the Association of Canadian Pension Management (the "ACPM") is a national association representing private and public pension plan sponsors, administrators and related stakeholders. The ACPM's 750 individual and institutional members across Canada represent pension plans with total assets of \$300 billion.

The ACPM continues to monitor the restructuring of Algoma Steel Inc. ("Algoma"), with a focus on those components of Algoma's restructuring plan that have affected the Ontario Pension Benefits Guarantee Fund (the "PBGF"). In this regard, the ACPM remains concerned about the potential implications for all pension plan sponsors in Ontario of the December 19, 2001 court order (the "Restructuring Order") approving the restructuring of Algoma.

In particular, the ACPM is concerned that the government of Ontario's involvement in the Algoma restructuring is not contemplated by the *Pensions Benefits Act* (the "PBA") and effectively bypasses the normal procedure and process set out in the PBA. We believe that this aspect of the restructuring constitutes an exceptional use of the PBGF, sets a dangerous precedent relating to other companies in financial difficulty, and could very well adversely affect sponsors of pension plans with members in Ontario.

In view of the foregoing, the ACPM hereby requests, pursuant to the *Freedom of Information and Protection of Privacy Act* (the "FOI"), any and all records, factual material, impact statements, reports or studies, cost or budgetary estimates, plans or

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proposals, recommendations, internal memoranda and/or reasons for final decisions, which are relevant to the following issues:

1. Why the process contemplated by the PBA was not followed, particularly relating to the use of the PBGF.
2. Details of how the government gave effect to the terms of the Restructuring Order, including the restructuring of the Algoma pension plans, approval for the use of the PBGF and the release of the lien contemplated by the PBA. In particular, we would also like information relating to the development, planning and implementation of *Ontario Regulation 202/02*.
3. The effect of the Algoma restructuring on other defined benefit pension plan sponsors in Ontario, including any proposals for restoring the solvency of the PBGF.
4. The effect of the Algoma restructuring on PBGF assessments.
5. The financial position of the PBGF both before and after implementation of the Algoma arrangements.
6. We note that a Government of Ontario press release, dated August 31, 2001, stated "that the [PBGF] currently has an estimated \$200 million available to pay new claims." Did this estimate take into account the liability of the PBGF in respect of the Algoma restructuring?

Pursuant to subsection 24(3) of the FOI, we ask that the above requests continue to have effect for a period of two years following your receipt of this letter.

Enclosed please find the required fee of \$5.00.

We thank you for your attention to this important matter.

Yours truly,

(ORIGINALLY SIGNED BY)
Priscilla Healy Chair, Advocacy & Government Relations Committee
Association of Canadian Pension Management

cc: Bryan Davies
CEO and Superintendent, FSCO