

July 14, 2008

Nova Scotia Pension Review Panel
P.O. Box 697
Halifax, NS B3J 2T8

Dear Panel Members:

Recently, ACPM conducted an online survey of our Individual Members' views on the subject of unlocking of pension benefits. Since the survey had not yet been completed at the time our Brief to the Panel had been prepared, the Brief only included general comments on the subject of locking-in of pension benefits. The survey has now been completed and we therefore attach this letter as a supplementary document to the Brief.

A total of 157 individuals (28% of our membership) responded to the survey. The breakdown of the respondents by category is as follows:

- (a) 33% were Advisors (lawyer, actuary, consultant),
- (b) 16.7% were Plan Sponsors with both DB and DC plans,
- (c) 15.4% were DB Plan Administrators,
- (d) 8.3% were Plan Sponsors with DB plans,
- (e) 8.3% were Plan Administrators for both DC and DB plans,
- (f) 16% of respondents put themselves in the "Other" category.
- (g) The majority (51%) of respondents indicated that they lived in Ontario.

The results were definitive, in that 71% of respondents either disagreed or strongly disagreed with unlocking of pension benefits on retirement at age 55 and older and on termination of employment, regardless as to whether it was a defined benefit or a defined contribution plan. Of the total respondents, 62% also disagreed or strongly disagreed with the suggestion that unlocking should be permitted as a plan design feature available to plan sponsors.

An interesting finding arising out of the survey results was that 63% of respondents agreed that members of pension plans wanted the right to unlock their pension funds, but that said, 71% of the respondents still disagreed with unlocking of pension benefits.

A large number of respondents, 77%, indicated that their responses to the questions regarding unlocking of pension benefits on retirement or termination or as a design feature would not be different if, instead of referring to complete unlocking of benefits, these questions referred to partial unlocking, such as under Alberta pension standards legislation where 50% unlocking is permitted on conversion of accumulated benefits into income. This result makes it clear that there would be no benefit in carrying out a follow-up survey on partial unlocking of benefits.

ACPM is currently reviewing the survey results and in due course the Association will develop a policy position on this issue for future reference.

Should you have any questions please feel free to contact me.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Bryan Hocking', written over a large, faint circular watermark or stamp.

Bryan Hocking
Chief Executive Officer

jl/BDH