

May 19, 2010

Dear Honourable Member Of Parliament:

We are writing to you today to bring you up-to-date on the latest activities of the members in our group, the **Rights For Nortel Disabled Employees (RFNDE)**. We have recently had 3 meetings with bureaucrats and political advisors at Industry Canada and Finance Canada and we've made remarkable progress. Amongst those we met are Louise Levonian, Assistant Deputy Minister of Finance Canada, on May 6th, Marta Morgan, Assistant Deputy Minister of Industry Canada on May 14th, and Joel Bernard, Senior Policy Advisor to Minister of Industry Tony Clement on May 18th. Based on these very educational meetings, both departments and the Minister's Office understand the significance and great need for Bill S-216.

Now that all Members of Parliament are knowledgeable with respect to our situation, our group's members respectfully request your help in the expeditious passing of Bill S-216 in the House of Commons. Bill S-216 is of extreme importance, not only to our 409 members, but to all current and future employees on disability whose incomes are not protected by a traditional insurance policy, but rather one that is "**Toxic Insurance**". "**Toxic Insurance**" is a form of Long-Term Disability coverage by an employer that has been allowed to continue in Canada due to unregulated, so called "self-insured" Wage Loss Replacement Income and Medical Benefits and due to **Breach of Trust** in their "**Health and Welfare Trusts**" or "**Employee Life and Health Trusts**" for disabled employees.

Our Recommendations on Bill S-216 and Bill C-501 are as follows:

- (1) Bill S-216 - we need Bill S-216 to get into the House of Commons by the Government by May 26th or shortly thereafter. It has LTD Claims at Preferred Status.
- (2) Bill C-501 – Voted "Yes" on May 26th - for the purpose of getting it into the Standing Committee of Industry, Science and Technology, so that we can make the required amendments for the Long-Term Disabled. The disabled are a distinct and separate group, and not pensioners. Nevertheless, the Bill C-501 amendments we need are LTD Claims added at Super-Priority, and Pension Deficits and Unpaid Severance Reduced from Super-Priority to Preferred Status.

Why We Want "Bill S-216" or "Bill C-501 Amended" from the Perspective of the Disabled:

- (1) Corrects wrongful employer conduct in providing "**Toxic Insurance**" to its employees and committing a **Breach of Trust** in "**Health and Welfare Trusts**" and new "**Employee Life and Health Trusts**".
 - CCAA/BIA amendment has no impact on employer costs nor is it disruptive to restructurings or liquidations.
- (2) No to do so, would be contrary to the United Nations Convention on Rights for Persons with Disabilities recently signed on March 11th, 2010.

- (3) Canada's 4.4 Million Persons with Disabilities¹ and all Canadian Voters, will recognize the necessity as well as the merit of the Canadian Government protecting the disabled from being pushed into poverty. It affects:
- Any of us who are currently disabled.
 - Any one of us who become disabled by accident or illness.
 - Taxpayers who must pay drug assistance and future Guaranteed Income Supplement when the disabled reach age 65 because of corporations downloading their obligations to Long-Term Disabled onto government programs.

This action has no negative implications on cost of credit and there is no slippery slope, as Wage Loss Replacement Income and medical benefits for the disabled solves a long-standing insurance problem.

"The Council of Canadians with Disabilities (CCD) urges all Members of Parliament to find ways of protecting the income and benefits of the Nortel employees on long term disability benefits and of also addressing the similar problem that many other Canadians have faced or may face in the future. The Nortel Employees on LTD describe their "insurance" as "toxic insurance" and we would agree that this may be an apt description. We support Senator Eggleton's Bill S-216 and urge all Members of Parliament and the Senate to find ways of ensuring the intent of this bill is realized as soon as possible." – Marie White, National Chairperson, Council of Canadians with Disabilities. May 19, 2010.

Sincerely,

**On Behalf Of All The Members Of The
Rights For Nortel Disabled Employees (RFNDE)
(A Human Rights Self-Advocacy Group)**

cc.: NDP Members of Parliament
Liberal Members of Parliament
Bloc *Québécois* Members of Parliament
Green Party of Canada
Conservative Senators
Liberal Senators
Independent Senators

¹ "Canada Ratifies UN Convention on the Rights of Persons with Disabilities", Canada News Centre news.gc.ca, <http://news.gc.ca/web/article-eng.do?nid=517849>. No. 99 - March 11, 2010 - 11:15 a.m. ET.