

From: [Steering Committee](#)

Sent: Thursday, January 13, 2011 11:53 PM

Subject: CNELTD 1: Meeting with John Baird regarding LTD issues

Mark Zigler and I met with Government House Leader John Baird yesterday in Ottawa. The main goals of our meeting were to find out whether the Government is considering helping the Nortel Disabled employees in any way, and also to persuade the government to consider legislative amendments, including changes to the Income Tax Act, that might protect individuals in the future against losses that when an employer is insolvent and the disability benefits were self-insured. .

Our request / presentation included information about

- the failure of Federal tax laws to protect disability income in insolvencies
- CRA guidelines for HWT's which seem to be intended to protect us, but are not enforceable
- Nortel's use of a HWT to provide benefits, in accordance with Federal Income tax laws that did not require full funding of LTD liabilities
- the funded status of the HWT, total liabilities for LTD income, and shortfall for LTD income
- the Settlement Agreement , HWT allocation, and the expectations regarding claims against the Nortel Estate
- impact of the combine loss of LTD income, medical and dental benefits and life insurance
- Federal programs such as WEPP (Wage Earner Protection Plan) and EI (Employment Insurance) that do not offer any protection to disabled employees.

Mark Zigler suggested that the Federal Government could buy out our claim for Income Benefits and give us 100%, and then collect any recoveries against our claim from the Nortel Estate. Mr. Baird did not seem interested in this type of solution. Mark Zigler also provided Mr. Baird with a presentation that he had given to Industry Canada regarding possible ways to protect and disabled employees in our situation.

John Baird agreed to look into existing Federal programs that might be modified to include us, but did not make any promises. He was also reluctant to "set a precedent" by helping the Nortel Disabled Employees, but we argued that disabled employees are vulnerable and unable to go out and find another job and should have been included in WEPP and EI.

Mark Zigler and I will be following up with Mr. Baird again, as well as meeting with the Provincial Government.

I have attached the following news item relating to Nortel Disabled Employees, which I hope you can open up.

Regards,
Sue Kennedy