



Pension Investment
Association of Canada

Association canadienne des
gestionnaires de caisses de retraite

April 10, 2008

Brian Ernewein
General Director
Tax Policy Branch
Department of Finance
Ottawa, Canada
K1A 0G5

Dear Mr. Ernewein:

The Pension Investment Association of Canada (PIAC) thanks you for your letter of April 2, 2008 in relation to the proposed revisions to the non-resident trust rules in the Income Tax Act.

We appreciate that you are now prepared to recommend to the Minister that the two amendments set out in your letter be made at the earliest opportunity following the passage of Bill C-10.

The *status quo* in relation to the non-resident provisions in Bill C-10 means that PIAC's member pension funds are forced to avoid mainstream, conventional investment products that are believed to be the most appropriate investment choices. Having to forego these investment opportunities and invest in higher-cost products leads to lower investment returns for our Canadian pension funds. Given this current situation, we urge you to make the recommendation to the Minister as soon as practically possible, and to make that recommendation in a clear and open manner so that all stakeholders will be aware of it and can rely on it, if they choose to.

Please let us know if PIAC can be of assistance in moving this important matter ahead to a timely conclusion. Thank you for your efforts in this regard.

Yours truly,

Roger Robineau
Chair

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