

SENATE



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SENATOR PERCY E. DOWNE  
CHARLOTTETOWN

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October 29, 2012

The Honourable James M. Flaherty, PC, MP  
Minister of Finance  
435-S Centre Block  
Ottawa, ON K1A 0G5

Dear Minister:

I am writing you today to bring to your attention the issue of pension “freezing” facing British expatriates who immigrate to Canada.

As you may well be aware, a person who works in the United Kingdom (UK) pays into the National Insurance, just as a person working in Canada pays into the Canada Pension Plan. If that person emigrates from the UK to Canada, the pension that they have accumulated up to that point in time will be “frozen” by the UK. If that person had instead chosen to relocate to the United States (US) or remain in the UK, then their pension would have continued to grow with increases in the cost of living index.

If these British expatriates eventually retire in Canada, their income is less than that of those Britons who relocated to the US or elsewhere. The Canadian Government must then incur the cost of supporting any impoverished retirees who may well have been able to get by on their own had they been treated fairly.

I am interested in finding out if there is currently any effort on the part of the Canadian Government to resolve this issue?

I look forward to hearing from you.

Sincerely,

A handwritten signature in black ink, appearing to read 'Percy E. Downe'.

Percy E. Downe  
Senator

