



January 29, 2013

Our File: 2012-222

Ms. Susan Eng, Vice President Advocacy
CARP
30 Jefferson Avenue
TORONTO ON M6K 1Y4

Dear Ms. Eng:

Thank you for your recent letter containing points for consideration on Pooled Registered Pension Plans (PRPPs) and other aspects of pension reform.

Saskatchewan has consistently been supportive of voluntary approaches to improving retirement savings, and ensuring workers and employers have the flexibility to establish their own financial priorities. Our Government believes PRPPs could provide an important new choice for Saskatchewan residents in dealing with retirement income adequacy, providing a simple, low-cost pension alternative for employers, employees and the self-employed. We are working to introduce this exciting new pension option for Saskatchewan residents as quickly as possible.

Saskatchewan also continues to be supportive of the Saskatchewan Pension Plan (SPP), which is a working example of the type of plan that was envisioned in the initial PRPP framework. SPP's role in the marketplace has predominantly been to provide retirement savings opportunities to employees of small Saskatchewan businesses without pension plans or other retirement savings arrangements. Its success illustrates that a simple, low-cost and voluntary pension arrangement is a workable model.

With respect to the Canada Pension Plan (CPP), Saskatchewan continues to support deferring any decision on enhancing the CPP until there is some experience to indicate how the voluntary PRPP approach is embraced and how that may impact overall retirement savings. We remain concerned about the impact increased CPP contributions may have on employers and lower-income employees, and we recognize that employers and employees should be able to set their own financial priorities.

Thank you for your input on this important topic.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Ken Krawetz', written over a light blue horizontal line.

Ken Krawetz
Deputy Premier
Minister of Finance