

November 3, 2006

Our Ref: 10446

The Honourable Dalton McGuinty
Premier of Ontario
Room 281, Legislative Building
Queen's Park
Toronto, ON M7A 1A1

Dear Premier:

We have obtained a copy of the letter that was sent by the federal President of the Treasury Board to your Minister of Health and Long-Term Care and have read the newspaper articles relating to your government's proposed changes to the Ontario Drug Benefit Plan affecting federal public service pensioners aged 65 and over. I am writing to express our profound dismay that the Government of Ontario intends to effectively cease coverage under the Ontario Drug Benefit Plan for federal pensioners who have drug coverage under the Public Service Health Care Plan (PSHCP).

The Federal Superannuates National Association, of which I am National President, defends the interests of federal pensioners in matters of pensions and benefits. Twenty-three of the Association's eighty-five branches are in Ontario and each one of these branches will vehemently oppose and lobby against the proposed changes. The Association also represents all of the pensioner members in the governance of the Public Service Health Care Plan. These pensioners are wondering why the Ontario government intends to exclude them from the Ontario Drug Benefit Plan while pensioners in all other sectors of the Ontario economy will continue to be entitled to financial assistance under the Ontario Drug Benefit Plan. In effect, this would result in federal pensioners residing in Ontario having to shoulder a greater financial burden for coverage of prescription drugs as the costs of the PSHCP are shared between plan members and their former employer. Pensioners feel this measure is discriminatory and, quite frankly, unacceptable.

Federal pensioners have contributed and continue to contribute to the Ontario economy and to the healthy financial situation of the Province of Ontario by paying their share of the Ontario income and other taxes, including the health surtaxes. While no one enjoys taxes, federal pensioners recognize that they are necessary. What they cannot accept is unfair treatment from the taxing government or inequality with their fellow citizens before the taxman.


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In effect, the intended change of coverage for federal pensioners under the Ontario Drug Benefit Plan would constitute a special tax - for being federal pensioners - a tax not imposed on any other group of pensioners residing in Ontario. Further, as the average pension paid to federal pensioners is approximately \$21,000 a year, this action by the Government of Ontario would not only constitute a tax without representation but a special tax imposed on a group that includes many economically vulnerable pensioners.

Mr. Premier, I hope that you and the Ontario Government will reconsider this proposal and restore the confidence that pensioners want to have in their governments and in equal and fair treatment under the law. As indicated above, the federal pensioners living in Ontario will not accept becoming "second-class citizens".

I look forward to a favourable reply to these grave concerns of federal pensioners in Ontario. The members of our National Board of Directors from Ontario and I will be pleased to meet with you and/or your officials on this matter. There appears to be absolutely no rationale for this proposed action except to punish, for whatever reason, Ontarians who are receiving a pension from the federal public service.

Yours truly,



G. Dennis Jackson
National President

GDJ/hc

cc: The Honourable George Smitherman, M.P.P., Ontario Minister of Health and
Long-Term Care
The Honourable John Baird, P.C., M.P., President of the Treasury Board of Canada

November 28, 2006

Our Ref: 10488

The Honourable Dalton McGuinty
Premier of Ontario
Room 281, Legislative Building
Queen's Park
Toronto, ON M7A 1A1

Dear Premier:

I am surprised that I have not received any acknowledgement of my letter to you of November 3, 2006. You will recall that I expressed the profound dismay of our members on learning that the Ontario government plans to change the Ontario Drug Benefit Program (ODBP) in a way that would affect negatively federal public sector pensioners aged 65 and over and no other pensioner in Ontario.

While we do not have an official text of the Ontario proposal, neither you nor your Ministers have denied that the proposal would make the ODBP the second payer for federal public sector pensioners covered by the Public Service Health Care Plan, and only for this group of Ontario pensioners. As we understand that the Public Service Health Care Plan is the only plan targeted by the proposal, we must conclude that your government intends to discriminate against the federal public sector pensioners of Ontario. You will readily understand that neither the Federal Superannuates National Association nor any federal pensioner can accept this type of discrimination.

In this regard, some Ontario MPPs have made statements to the effect that the Ontario proposal is like the provisions in place in the Nova Scotia and Quebec pharmacare programs. It is clear from the web site of the Nova Scotia pharmacare program that the Nova Scotian program is the second payer for all pensioners over the age of 65 who have a private plan covering prescription drugs, and not only for federal public sector pensioners. In Quebec, pensioners over the age of 65 who have a private health care plan with prescription drug coverage may opt out of the Quebec pharmacare program. In both these provinces, federal public sector pensioners are treated the same way as other pensioners who have private plan coverage for prescription drugs.

Federal pensioners cover a wide range of former federal employees, including, not only former public sector employees, but also former members of the Canadian Forces and the RCMP as well as former federally appointed judges and other pensioners formerly employed in various Crown corporations and other entities within the federal public sector.

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Since I wrote to you, I have received numerous letters from our members protesting the proposed changes that would discriminate against federal pensioners. Our members do not understand why they are the only Ontarians targeted to help Ontario contain its health care costs with the proposed reduction of their entitlement to benefits under the Ontario Drug Benefit Program.

This issue is so important that many of our members did not wait for your answer to my letter and have already taken their protest to their member of the provincial legislature. These protests will continue and increase if federal pensioners do not receive a comprehensive response from their Ontario government.

Mr. Premier, I again urge you and the Ontario government to reconsider this proposal and restore the confidence that pensioners want to have in the Ontario government by confirming that they can expect equal and fair treatment under the law. Federal pensioners living in Ontario will not accept becoming "second-class citizens".

You will recall that I had offered to meet with you or your designates to seek a common understanding of the impact of the proposed changes to the Ontario Drug Benefit Program on federal public sector pensioners. I reiterate my offer because I believe that reasonable men can arrive at reasonable decisions. I am certainly prepared to work with you or your ministers to arrive at a reasonable conclusion in this matter.

I look forward to an early and favourable reply to the grave concerns of federal pensioners in Ontario.

Yours truly,



G. Dennis Jackson
National President

GDJ/hc

cc: The Honourable George Smitherman, MPP, Ontario Minister of Health and
Long-Term Care

The Honourable John Baird, P.C., MP, President of the Treasury Board of Canada