

**From:** Anne and Hugh Stewart  
**To:** insolvency-Insolvabilite: IC  
**Subject:** Statutory Review of the BIA/CCAA  
**Date:** July-15-14 8:17:05 PM

**Via e-mail transmission**

Paul Halucha  
Director-General  
Marketplace Framework Policy Branch  
Industry Canada  
235 Queen Street, 10th Floor, East Tower  
Ottawa, Ontario K1A 0H5

Dear Mr. Haluca,

I am the spouse of a Nortel pensioner who has been severely impacted by the outdated bankruptcy laws in this country. With a 30% reduction in her pension and loss of all benefits and life insurance, our financial future is not as viable as we had planned. Since she had a defined benefit pension plan, she was unable to put money into an RRSP due to the Pension Adjustment requirement under the rules regulating RRSPs. My wife had also been on a long-term disability since 1993, so she is unable to replace any of these losses incurred by the Nortel situation. Her pension was based on that 1993 salary, so was not as significant as if she had been able to work until retirement age.

Please review and revise the two Acts involved in bankruptcy law (BIA/CCAA) to ensure that the pension shortfall is given higher priority ranking in bankruptcy proceedings. The current "unsecured" status is not sufficient to reflect the loss of the pension promise of deferred wages for work performed. The loss of other benefits have had a major impact in our household, as the replacement costs for my wife's reduced health and dental care and a small life insurance to be able to bury her, cost over \$300 per month. This cost comes after losing 30% of her pension.

As it currently stands, we have downsized from our last home into a small condo. My own health is such that we may have to go into assisted living within a few years. With this cut in our income, we can no longer afford any retirement home and will have to look at nursing homes, which is a far cry from our previous financial plans. No one should have to suffer these indignities due to no fault of their own, especially after being a strong contributor to society during their working careers.

Any monies owing to pensioners and terminated employees and those on long-term disability should be afforded the highest level of protection in bankruptcy, as these creditors are the most vulnerable and the least able to recover from these losses. Thank you for the opportunity to provide input to the consultation on the review of Canadian bankruptcy laws.

Yours truly,

Hugh C. Stewart